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IMPERIAL OUTPOSTS



IMPERIAL OUTPOSTS

FROM A STRATEGICAL AND COMMERCIAL
ASPECT, WITH SPECIAL REFERENCE
TO THE JAPANESE ALLIANCE

BY COLONEL A. M. MURRAY

700 WITH A PREFACE BY

FIELD-MARSHAL EARL ROBERTS, V.C., K.G., K.P.

ETC.

"Dis taminiorem quod geris, imperas;
Hinc: omne principium, huc: refert exitum"

WITH MAPS AND ILLUSTRATIONS

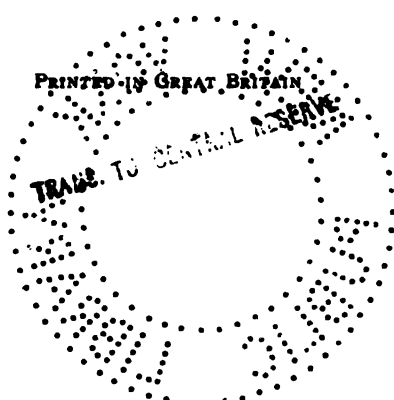
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WHOSE NAME IS A HOUSEHOLD WORD

IN EVERY OUTPOST OF THE

BRITISH EMPIRE

Admission July 26 1944

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PREFACE

I WILLINGLY comply with the joint request of the author and publisher of 'Imperial Outposts' to write a preface to this book, and to commend it to the attention of the British public, which I can do with the greatest confidence, for the up-to-date character of the volume gives it peculiar value.

The author, Colonel Murray, gives us a most interesting account of a journey which he made to Tokio, travelling there by way of Gibraltar, the Suez Canal, Colombo, Singapore, Hong-Kong, and Shanghai, and returning to England via Vancouver, Quebec, and Halifax. He had thus the opportunity of visiting nearly all the important places and great strategic centres over which, in two hemispheres, the Union Jack waves.

Colonel Murray, during the course of his tour, set himself the task of making, on the spot, careful inquiry into the existing conditions—strategical, political, and commercial—of the various colonies visited by him. He fairly states facts, and he draws reasonable deductions from them. Some

strong criticisms are certainly made, but I think they are based on evidence of a generally convincing character.

Good service has been done in Chapter VI. by calling attention to the administrative apathy of the Aden Government, which is in striking contrast with the energy displayed by our French friends on the west side of the Straits of Bab-el-Mandeb. It is not creditable to British rule to make use of a dependency like Aden for selfish purposes of political necessity without attempting to extend the benefits of civilized government to the neighbouring native tribes, especially when those tribes are living under the ægis of the British Crown. The Persians, the Turks, and even the Arabs, did more for Aden in their time than we have done during our seventy years' occupation, and I think the author is fully justified in his unfavourable comparison between the administration of Aden and that of the Straits Settlements, under the strenuous rule of men like the late Sir Andrew Clarke and Sir Frank Swettenham. Aden has always suffered under the disadvantage of being an appanage of the Bombay Presidency, with which it has neither geographical, racial, nor political affinity. Probably the best solution of the matter would be to hand over the place to the Colonial Office, relieving the Government of Bombay of a charge which is only looked on as an incubus.

In Chapter VII. the author deals with the alarming falling off of British trade with Persia,

due to the prohibitive effect of the new Customs tariff which came into force about three years ago. This decline of trade was anticipated by Mr. Valentine Chirol in his book on the Middle East, and is a matter which calls for the attention of the Foreign Office, for action should undoubtedly be taken to revise the tariff which owes its origin to the surreptitious influence of Russian diplomacy.

2. The chapter on Hong-Kong recalls the recollection of a war—the Opium War of 1840—which was probably the least justifiable war ever waged by Great Britain. Whatever opinion may be held regarding the policy of that war, every right-minded person will join the author of ‘Imperial Outposts’ in his outspoken condemnation of the Indian opium tariff with China. That traffic is iniquitous and indefensible, and the sooner it can be suppressed the better for British credit. It is satisfactory to know that both Sir Edward Grey and Mr. Morley are showing a determination to meet the Chinese Government in its efforts to put down the vicious habit of opium-smoking. Care should, however, be taken that no injustice be done to the Indian cultivator, who has been allowed for years past to carry on the opium industry under official sanction, and who now possesses certain inchoate rights which should not be ignored, because there has been a tardy awakening of the British Government to a sense of moral responsibility.

The danger of withdrawing the whole of the English battleships from Far Eastern waters is the

next important point dwelt upon. So long as the other great Powers retain battleships in these seas there ought to be no weakening of our naval strength. The Japanese alliance should not be made use of for the purpose of shifting our responsibility on to our allies. Concentration is a sound principle of strategy both on sea and land, but the multifarious interests of this country, in almost every corner of the globe, require a certain proportionate distribution of naval strength.

I am glad the author lays stress upon the imperial value of Singapore, the 'gateway into the Pacific.' Although its strategical importance is to some extent discounted by Manila being in possession of a foreign Power, none the less Singapore is one of the most important outposts of the Empire, being as it is the half-way house between India and China, the great trading centre of the Malay Archipelago, and a secure base for naval offensive operations. The value of the place is much enhanced by the friendly relations which now exist between the Government of the Straits Settlements and the federated states of the Malay Peninsula.

Passing on to Shanghai, the writer describes the unsatisfactory condition of affairs in this, the largest of all the Treaty Ports of China, with its 11,000 Europeans dwelling in the midst of an enormous Chinese population of 600,000. Owing to our habitual policy of drift, the British Concession has allowed itself to be gradually absorbed in a mixed settlement made up of residents of every European

nationality, while the original French settlement has always maintained its separate individuality. The affairs of this mixed settlement are administered by an elected Municipal Council which carries on its duties in a somewhat amateur fashion. There is no permanent head of the Government, the Senior Consul-General for the time being the recognized chief and medium of communication with the diplomatic representatives of the Powers at Peking. The existing armed force is not sufficient to establish either a sense of moral security, or to safeguard the material interests of the European community in case of a determined insurrectionary movement, of which in the present state of unrest in China there is always a latent risk. Our Government would do well to be fore-armed.

The chapters on Japan are written with special reference to the political relations now existing between Great Britain and that country, and are interesting as containing the most recently published narrative of an eye-witness of Japanese *post bellum* methods of administration. The writer of the volume was fortunate in being allowed to meet some of the most famous men in Japan, among the number Marquis Ito, the 'grand old man of Japan,' and Marshal Oyama, who was Commander-in-Chief in Manchuria during the war with Russia. Colonel Murray was given by the latter the true secret of the Japanese success—'the justice of the cause, and the self-sacrifice of the army.'

Two chapters of the book are devoted to a description of the Japanese army and military organization of the country, attention being specially directed to the complete manner in which the army is nationalized. Although it is, of course, impossible to train the whole contingent of young men (450,000) who reach the age of twenty every year, the names of all are registered for military duty should occasion require their services. Universal liability to service is the corner-stone of Japan's military system, and therein lies the main strength of the fighting power of the Japanese people.

What is specially worthy of notice is the democratic influence which this principle of universal military service has had in Japan: whereas under the feudal system which preceded the Revolution of 1868 the profession of arms was the privileged monopoly of the Samurai caste, to-day the whole population of the Empire is drawn into the ranks of the army regardless of class distinctions. Japan is a brilliant example of a nation in arms.

A notable feature of the higher military organization in Japan is the complete separation of questions of defence from politics. The higher Military Council, which is the supreme council of imperial defence, is composed of Admirals and Generals only, to the exclusion of politicians. The usefulness of the Committee of Imperial Defence, as now constituted in England, is to a large extent neutralized by the inclusion in its deliberations of politicians whose responsibility, as members of the

Government of the day, dominates the counsels of the committee, and prevents the free expression of expert opinion. National defence in Great Britain, as in Japan, should be kept apart from party politics.

In his final chapter the writer dwells on the necessity for co-operative effort throughout the Empire. This is a correct note to strike, and one which cannot be sounded too often and too loudly in this country and throughout Greater Britain. It is greatly to be regretted that England is giving no decided lead in this matter. The deplorable apathy of the present and rising generation of Englishmen in regard to responsibility for defence must be due to the fact that war has never yet threatened the hearths and homes of the British people. But who can say how long this immunity from war and its horrors may last, or what sudden combination of hostile strength may threaten, not only the unity of the Empire, but the very existence of England as a nation? In such a crisis reliance on mercenary soldiers and temporary allies will prove but a broken reed indeed. Security can only be obtained by the recognition of the principle that national defence is an obligatory duty, of which no individual citizen can rid himself by paying someone else to assume the burden. Universal liability to military service is the first necessity of national defence, without which it is impossible for the country to obtain a potential reserve of trained men to support the regular army when

the latter takes the field. This is the true solution of the Imperial Problem, and until this solution is accepted by the democracy of this country, all our talk about preparing for war is but as the sounding brass and the tinkling cymbal.

ROBERTS, F.M.

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IMPERIAL OUTPOSTS

CHAPTER I

INTRODUCTION

THIS volume is the outcome of a journey to and from Japan, where circumstances took me for several months early in 1906. The outward journey was made by the Mediterranean Sea, Suez Canal, Aden, Colombo, Penang, Singapore, Hong-Kong, and Shanghai to Yokohama; and the homeward journey across Canada.

The primary purpose of the volume is to examine the conditions under which communication along the main highway round the Empire can be maintained with Japan in the event of a maritime war with one or more of the Great Powers of the world. The existing strategical situation in the Mediterranean as modified by recent events is made the first object of inquiry. Attention is next directed to the Suez Canal, and to the arrangements by which the Egyptian Government is required by the Convention of 1888 to keep open this international

waterway in time of war, and prevent collision between belligerents. The political and geographical situation in the Red Sea as between Great Britain, France, Italy, and Turkey, is then examined, some up-to-date notes having been obtained at Aden regarding Persian Gulf politics, with special reference to the proposed German railway through Mesopotamia to the head of the Gulf. After leaving Aden, Colombo was the next halting-place, and during his stay there the writer was able to collect statistics regarding the commercial prospects of this important port of call, while the Admiralty reasons for abandoning the naval station of Trincomalee were inquired into and verified. From Colombo the sea route was followed to Penang and Singapore—the gateway into the Pacific—and from there to Hong-Kong, the great emporium and British stronghold in the Far East. Another halt was made at Shanghai—the Liverpool of China—and a short excursion was taken up the Yangtze River towards Hankow, which has lately been connected by rail with Peking, and promises in the near future to develop into a Far Eastern Chicago. After reaching Japan, some *post bellum* notes were collected from non-official published sources regarding the belligerent strength of our allies should joint military operations ever become necessary in fulfilment of treaty obligations. On the way home a halt was made at Port Victoria, the capital of British Columbia, from where opportunity was taken to visit the lately abandoned

Imperial naval station at Esquimault. Crossing to the mainland, another halt was made at Vancouver, the western terminus of the Canadian Pacific Railway, which is perhaps the most important strategic thoroughfare of the Empire, as it is rapidly becoming the most commercially successful. During the stay in Canada the chief centres of commercial and agricultural industry—Calgary, Winnipeg, Toronto, Montreal, Quebec—were visited, and note taken of the progress made by the Canadian authorities in taking over the local defences of the Dominion from the Imperial Government.

It was found impossible to confine the proposed inquiry within the limits of purely naval and military consideration. The British people are traders first, and fighters afterwards. Naval power is only the means to an end, which is peaceful commercial expansion. We maintain our fleet at its present colossal strength not for the purpose of winning glory, but for the defence of our Imperial trade. It has been well remarked by a great student of British history—Captain Mahan—that a navy without merchant shipping is like a tree without roots: it soon withers away under the blast of war. When dealing with questions of strategy, it becomes, therefore, clearly necessary to deal with those of trade also, the interdependence of the two being continuously kept in view. To what extent is it true that trade follows the flag? How far is territorial acquisition necessary, desirable, and legitimate for purposes of commercial

expansion? What are the natural laws which regulate such expansion? Has the *gepanzerte Faust* ('mailed fist') policy of the German Emperor found a responsive echo in the hearts of His Majesty's subjects? What reciprocal relations ought to exist between the Mother Country and her Colonies for purposes of commerce and defence? These and kindred questions came up for consideration in the course of the tour round the Empire, and have necessarily offered themselves for discussion in the volume now produced.

The chapters will be found to be descriptive and fact-stating rather than argumentative. When opinions are given for the purpose of discussion they are not my own, but those of the local expert authorities whom I may have been permitted to consult. Only published sources of information have been used. Facts are narrated just as they were found, irrespective of their bearing on imperial, colonial, or international politics; and if 'the simple, central truth is found to sting,' this will be due to the discovery of error, which public exposure may help to remove. How far I have succeeded in carrying out my purpose must be judged from the contents of the volume, which, through the favour of Mr. John Murray, and with the kind assistance of his brother, Mr. Hallam Murray, is now submitted for public criticism. Extensive as is the field covered, it is none the less hoped that sufficient data have been collected to enable those who are interested in the

higher politics of the Empire to form a correct judgment in regard to some of those problems which have been brought so prominently before the country during the past few years, and which are still enveloped in the mist of controversy.

CHAPTER II

THE FRONT-DOOR OF THE MEDITERRANEAN

‘Nobly, nobly Cape Saint Vincent to the north-west died
away;

Sunset ran, one glorious blood-red, reeking into Cadiz Bay ;
Bluish mid the burning water full in face Trafalgar lay ;

In the dimmest north-east distance dawned Gibraltar
grand and grey :

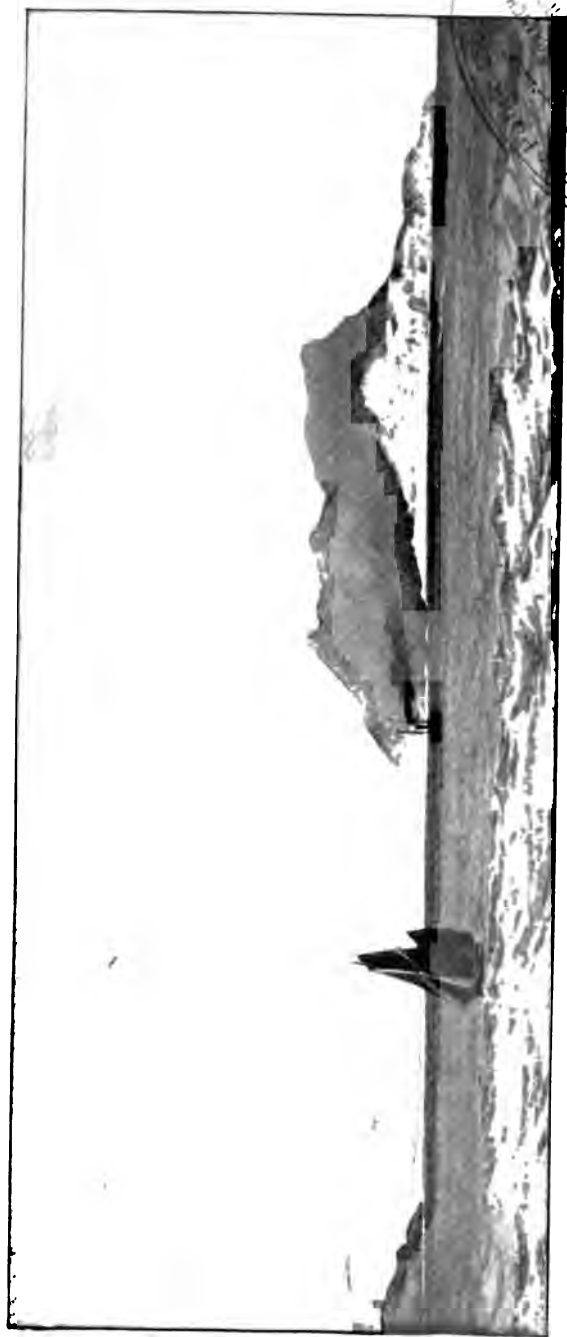
Here and here did England help me ; “ How can I help
England ? ” say.

Whoso turns, as I this evening, turn to God to praise and
pray,

While Jove’s planet rises yonder silent over Africa.’

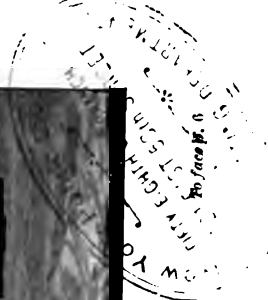
BROWNING : *Home Thoughts from the Sea.*

GIBRALTAR is the first point of salient interest on the highway from England to the East, its strategical importance being obvious to the least-instructed vision. Not only does the famous fortress lock the entrance-door to the Mediterranean Sea, but it splits into two the naval forces of both France and Spain, separating Brest from Toulon, and Cadiz from Cartagena. On many memorable occasions during the great maritime wars of the eighteenth century the military value



GIBRALTAR FROM THE WEST

From a drawing by A. H. Hallam Murray, Esq.





of Gibraltar was illustrated by a series of unmistakable strategical lessons. Notably was this so during the Seven Years' War, when the invasion of England, planned by the astute Choiseul, was defeated by Admiral Boscawen, who, stationed at Gibraltar, fell upon the French fleet while sailing from Toulon to Brest, and prepared an easy victory for Hawke over the Brest fleet in the Atlantic. It was the possession of Gibraltar which enabled a watch to be kept on the Mediterranean throughout the maritime struggle with the naval forces of the French Revolution, and baffled the efforts of the Allied Admirals to concentrate for a combined attack on the British fleet. When Admiral Bruix slipped out of Brest in 1799 in order to carry succour to the French army in Egypt, Lord St. Vincent, from his look-out on Europa Point, saw the French ships passing through the Straits of Gibraltar, and immediately despatched frigates to warn Nelson at Palermo and Keith at Cadiz. On a critical occasion in 1805, two hours after Admiral Villeneuve had passed Gibraltar *en route* for the West Indies, one frigate was on its way to carry the news to London, and another to inform Lord Nelson, who was cruising off Sardinia, of the French Admiral's escape from Toulon. It is true that during the War of American Independence, when England was fighting with all her might to keep her position as mistress of the seas, Gibraltar was an incubus rather than a help; but the instinct of the British people to cling to possession of the Rock, and

support the beleaguered garrison through a long and glorious siege, was correctly inspired, and has been wholly justified by the events which followed, and which have led up to the existing situation in the Mediterranean Sea.

Geographically Great Britain is an interloper in



GIBRALTAR AND CEUTA.

the Mediterranean ; commercially and strategically she has larger interests there than any other European Power. One-third of the foreign trade of the United Kingdom comes along this inland sea. During recent years, owing to the increasingly heavy shipments of wheat from Russia and India, this route has become the most important channel

of wheat transportation to the British Isles. In 1904 nearly 45 per cent. of the total supply of imported wheat reached our markets by the Mediterranean route. Seventy-six per cent. of the carrying trade through the Suez Canal is done by English merchant vessels. In the same year—the latest for which returns are available—2,679 English ships (12,164,591 gross tonnage) passed through the Canal, Germany coming next with only 542 ships (2,786,067 gross tonnage), France a bad third with 262 ships (1,167,105 gross tonnage), and other countries nowhere. Further, it must be remembered that we possess 176,602 Suez Canal shares, yielding an annual income of more than a million pounds, while the market value of these British shares—an always increasing asset—amounts at the present moment to more than thirty-one million pounds. These figures are sufficient to indicate the magnitude of British commercial interests in the Mediterranean Sea, and the corresponding necessity for protecting them.

The dominating strength of England's strategical position in the Mediterranean is undeniable. Through this sea lies the shortest way to India, Australia, and the Far East. Time means a great deal in commerce; it means everything in war. Only once since the capture of Gibraltar did England, in a moment of temporary panic during the year 1797-1798, evacuate the Mediterranean, with results which were a warning for all future time. Apart from the heavy loss of trade—a loss

which was accountable for that sudden depreciation of the currency which caused so much embarrassment to Mr. Pitt—the effect on the military situation was disastrous in its consequences. Napoleon was left master of the Mediterranean and of the waterway to Egypt. He seized Malta and overran Italy. No one realized the mistake made by this country at the time better than Napoleon himself. ‘The expulsion of the English from the Mediterranean,’ he wrote to the French Directory, ‘has had a great effect upon the success of our military operations. It has the greatest moral influence upon the minds of the Italians, assures our communications, and will make Naples tremble even in Sicily.’

So long as we retain our sea-power we must retain our hold of the Mediterranean Sea. To relax that hold would be to commit strategical suicide. Naval control of the Mediterranean means naval control all over the world. Working from this central cruising-ground our naval commanders can strike north or south, east or west, according to political necessity. The presence of the British Mediterranean fleet in this inland sea blocks the way from Europe to the Pacific, and secures the safety of the Japanese Alliance. The warships of a hostile Power can neither enter nor leave the Mediterranean except by permission of the English people. The right to give or withhold this permission has been won on the sea, and can only be wrested from us by the destruction of our sea-power.

What are the naval dispositions for holding this sea-way? Up to the end of last year there were three fleets in commission in European waters—the Mediterranean, the Atlantic, and the Channel Fleets. The strength of these three fleets has continually varied with international circumstances which need not be referred to; but the normal organization of each fleet has been, and will continue to be, a quota of battleships with a few fast cruisers attached to the battleships for frigate duties, a cruiser squadron for advanced contact work, and a flotilla of torpedo-boat-destroyers for the protection of the battleships. Besides these three fleets in commission, a large reserve fleet has been maintained in a semi-commissioned state, composed of battleships, cruisers, and destroyers, which have been distributed in nearly equal proportions among the three naval dockyard stations of Sheerness, Portsmouth, and Devonport. The harbour base of the Mediterranean Fleet is Malta, of the Atlantic Fleet Gibraltar, and of the Channel Fleet Portland.

In October of last year the Admiralty decided to organize a fourth fleet, to be called the Home Fleet, with its headquarters at the Nore; but it is understood that this fleet is intended, should circumstances so require, to deny the passage in or out of the North Sea to any hostile combination of ships endeavouring to pass through the Straits of Dover, where the ultimate harbour base¹ of the

¹ The expression 'harbour base' is here used, as it is not intended to convert Dover into a naval base with dock accom-

Home Fleet will be. This new fleet, which is the final development of a long-considered policy, is to be made up of ships partly drawn from the other three fleets in commission, and partly from the reserve fleet, while it is to be kept constantly at sea and in a state of immediate readiness for active service. The crews of all ships in commission are, under the terms of the Admiralty Memorandum¹ of last October, to be distributed according to a sliding-scale of requirements, full crews being assigned to ships first for service, and nucleus crews (varying in strength) to ships which will not be required to be sent immediately into the front rank of the fighting-line.

Allowing for current casualties, to which the naval service is always liable, even during peace, the above-sketched dispositions give the following approximate numbers of available fighting ships, which are distributed among the four fleets in commission and the 'Special Reserve' fleet, which can be mobilized in forty-eight hours: Battleships, 45; cruisers, 65; destroyers, 120; torpedo-boats, 50; submarine boats, 25. There is a further reserve of some 18 battleships and 40 cruisers distributed among the three dockyard stations of Sheerness, Portsmouth, and Devonport. It will

modation, but merely to provide a safe harbour of refuge for warships watching the passage through the Straits.

¹ For purposes of ready reference the Admiralty Memorandum referred to is published at the end of this volume. See Appendix I.

be seen from a perusal of the Parliamentary Return¹ (No. 129) issued on March 31, 1906, that the strength of the navy when compared with any possibly hostile two-Power combination shows a considerable preponderance in favour of Great Britain.²

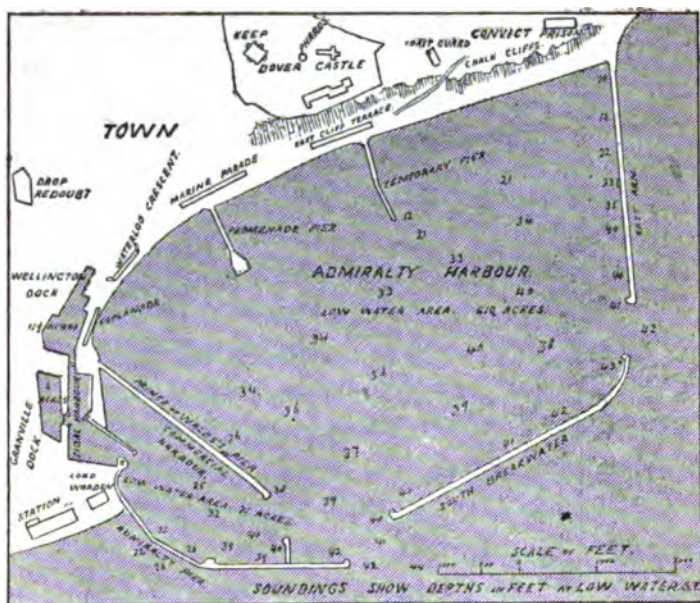
The value of the now completed harbour at Gibraltar, and of the harbour under construction at Dover, lies in the protection which such harbours give to battleships from torpedo attack. A similar harbour has been projected, and is required, at Rosyth, in the Firth of Forth, where, according to the most recent statement of Admiralty policy, preliminary works are being carried out with a view to the construction, not only of a protected harbour of refuge, but of a fully-equipped naval base for the Home Fleet. With the Channel Fleet watching the Straits of Dover, and the Home Fleet eventually moved up to Rosyth,³ the North Sea

¹ See Appendix II.

² Having regard to present and prospective ship-building programmes of the other maritime powers, this preponderance will be maintained and increased, even with the reduced programme of the present Board of Admiralty. For full information on this important question the reader should consult Sir William White's able series of articles, recently published in the *Times* (November 15, December 25 and 27, 1906), under the title 'British and Foreign Warship-building Capability.'

³ Whether Rosyth is a suitable site for this new naval base will depend on the result of the preliminary works now in progress; but the intention of the Admiralty to construct somewhere on the East Coast 'an effective and always

will be a *mare clausum* except to British ships. Potentially and strategically the maritime position of Great Britain is under existing conditions unassailable. Securely based on Gibraltar, Dover and Rosyth, our naval commanders in the event of war



DOVER HARBOUR.

will have the enormous initial advantage of operating on interior lines, while their adversaries will be divided by long sea distances, and unable to concentrate without first overcoming a superior com-

accessible naval base for the Home Fleet ' may be regarded as settled by the reply of the Secretary to the Admiralty to a question asked by Mr. Arthur Lee in the House of Commons on December 19 last.

bination of British ships. Assuming the maintenance of the present relative standard of strength as between ourselves and the other maritime Powers of the world, it is no exaggeration to say that the naval supremacy of Great Britain is 'unchallenged and unchallengeable.'¹

The local conditions under which Gibraltar acts as the pivot base for the war distribution of our fleets will be discussed in the next chapter.

¹ 'The Naval Situation,' *Quarterly Review*, October, 1906.

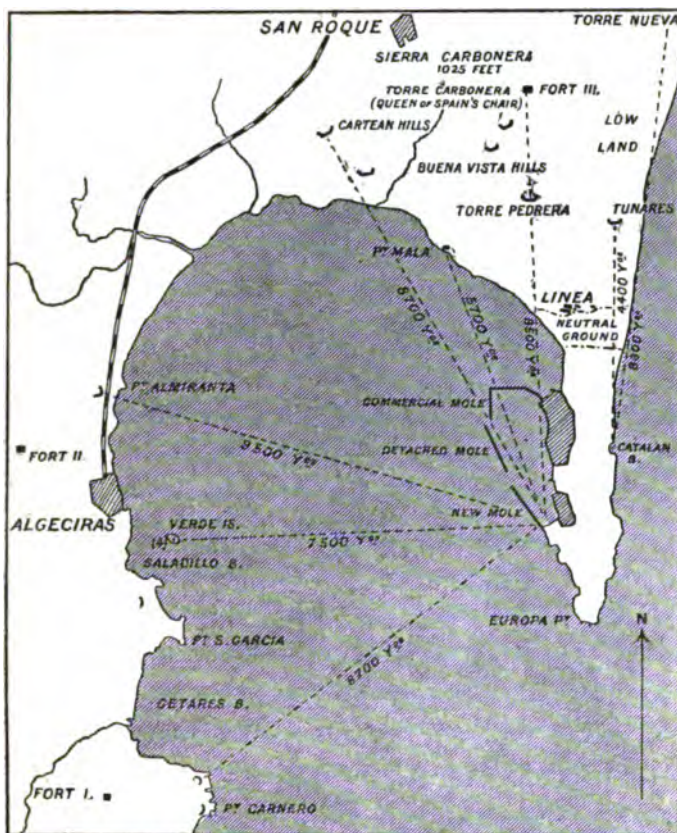
CHAPTER III

GIBRALTAR HARBOUR

THE new harbour at Gibraltar, which is the home of the Atlantic Fleet, was begun in 1898, when Lord Spencer was First Lord of the Admiralty, and is now practically completed. The total cost of construction has been about £4,500,000, the funds having been provided, as required from time to time, by means of loans authorized under successive Naval Works Acts. It was originally intended that a portion of the harbour should be assigned for the use of merchant ships when coal-ing, but since the completion of the works the Admiralty have found it necessary to take over the whole harbour for naval use, and merchant steamers must coal from hulks as heretofore. The new harbour is protected by three moles, enclosing an area of about 400 acres of water, and there are three graving-docks, one of which can take the largest battleship afloat. The harbour, which has been built under contract with Messrs. Topham, Jones and Railton, is admirably designed for pur-

poses of refitting and rapid coaling, and as a naval base leaves nothing to be desired.

Its military security in time of war is another



MAP OF GIBRALTAR AND OF THE ADJACENT SPANISH TERRITORIES.

Showing the positions of the three moles forming the enclosed harbour, and of the three docks recently constructed, as well as the distances thereof from various points in Spanish territory.

matter. To those who are not acquainted with the geography of Gibraltar, it may be explained that the famous Rock fortress juts out seawards

for about two miles from the mainland in a north and south direction, the new harbour and docks being situated under the west face of the Rock, on which side the fortress is flanked by the Bay of Gibraltar, with the town of Algeciras on the opposite shore at a distance of some five or six miles from the fortress. Between 7,000 and 8,000 yards from the north or land side of Gibraltar are the heights known as the Sierra Carbonara, rising to an altitude of about 1,000 feet. These heights are commanded from the Rock (1,400 feet), and there is a consensus of opinion that the fire of any hostile batteries established on this position could be silenced from the fortress. But south-west of the Sierra Carbonara on the way to Algeciras, and a few hundred yards east of the small Spanish town of San Roque, is another hill-range containing a number of concealed positions which could not be searched by artillery fire from the Rock, nor from the ships in the bay, and where it would be possible under modern artillery conditions to establish batteries which could shell the harbour and docks with what is known as high-angle fire at ranges varying between 8,000 and 9,000 yards.

These facts are, of course, perfectly well known to the military authorities of Spain and to those of every other European Power, whose emissaries can visit the neighbourhood of Gibraltar whenever they please to do so. There is a disposition in some quarters to minimize the risks of a possible bombardment. From the naval point of view, it is sug-

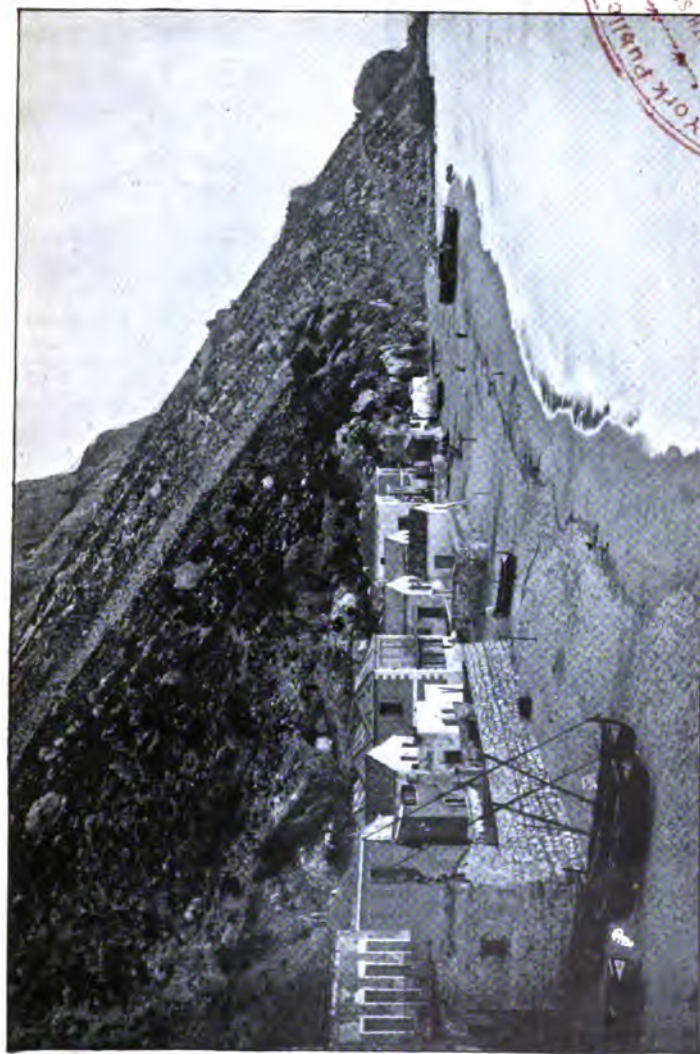
gested that the fleet would be at sea, and not in harbour, during a time of war, though naval officers admit the inconvenience which would be caused if ships could not be docked for refitting except under fire. Military opinion is somewhat divided as to the practicability of siege operations being carried on in the face of the powerful artillery fire which can be concentrated from the Rock batteries on any given threatened position. It is, moreover, pointed out that our relations with Spain are friendly, and that the likelihood of any disturbance of those relations is too remote to justify apprehension. All such arguments based on existing political relations between Spain, or any possible ally of Spain, and ourselves are of course irrelevant. The question is a purely military one, academical no doubt for the moment, but which may in the future, near or distant, become acutely practical.

Without going into professional details, which belong to the domain of the expert artillerist, I cannot but think that a visit to the San Roque position will convince others besides myself of the increased military vulnerability of Gibraltar due to the construction of the new harbour and docks. The public, however, should understand that the existing site for the harbour was decided upon before artillery science had developed to the extent indicated by the experience of the Boer and Russo-Japanese Wars. When Mr. Gibson Bowles began his crusade in 1901 the works were more than half completed,

nothing remaining to be done but to finish them, and make the best arrangements possible for their military security. These arrangements have, no doubt, been made the subject of profound study by the War Office in conjunction with the local authorities responsible for the defence of this important naval base, and there is no call for the outside pressure of public opinion. Had it been possible to have foreseen the rapid strides which have been made by applied artillery science during the past decade, the harbour would surely have been constructed on the east side of the fortress, where it would have been covered from bombardment; but, owing to the greater depth of water on this side and other local difficulties, the cost of construction would have been considerably increased,¹ and at the time when the present site was selected the decision taken met with the unanimous approval of both naval and military authorities.²

¹ The Committee appointed by Lord Selborne in 1901 to consider the question between the two sites estimated that the construction of harbour, docks, and store-sheds on the eastern side would cost £5,320,000, and that the works could not be completed under ten years. The delay which the change of site would have necessitated is what chiefly influenced the Committee to report in favour of completing the works on the western side of the Rock. 'It is better,' wrote Sir Harry Rawson, 'to have a dock with risks than no dock at all.'

² The following were the words of Lord Goschen, by whom the whole question was reviewed in 1896, when he was appointed First Lord of the Admiralty: 'I can assure your lordships that the whole policy was considered minutely,



CATALAN BAY, GIBRALTAR

Alternative site for docks and harbour on east side of the Rock



The proposal periodically revived to exchange Gibraltar for the Spanish fortress of Ceuta on the opposite coast of Africa may be dismissed as outside the limits of practical politics. English rights of conquest cannot be sacrificed to Spanish susceptibilities. Magnanimity in such a case would be weakness. Any tactical superiority which Ceuta may be supposed to have over Gibraltar as the key to the Mediterranean Sea is outweighed by the prestige attaching to military possession of the great Rock fortress. After 200 years of British occupation the Spaniards are now showing a friendly disposition to accept the inevitable. If better local frontier relations could be established between the two countries, much might be done to improve the existing primitive conditions of life on the Rock. As matters now stand, both the military garrison and civil inhabitants are condemned to live in a state of semi-siege existence. An urgent need is the supply of fresh water,

strategically, administratively, technically—in every possible aspect. It was not only considered by the Admiralty, but the highest authorities at the War Office were once more consulted. The Defence Committee had several meetings with regard to it, and the ranges of the land batteries were carefully calculated and put before us—the land batteries which would command the docks, and on the other hand the range of the guns on the Rock which might reply to these batteries. Every point was considered; therefore, if we made a mistake, we did so with our eyes open with reference to the exposure to fire of the docks under certain circumstances.’—Debate in the House of Lords, June 27, 1901.

which, if brought from the mainland, would remove the present necessity of collecting the rain-water in reservoirs for the daily consumption of the inhabitants. Hitherto the Spanish Government have refused to consider any proposal either for this purpose or for making a branch line from San Roque to Gibraltar to connect the fortress with the Algeciras-Bobadilla Railway.

The town of Gibraltar, with its civil population of 20,000 and military garrison of 6,500¹ men, has a dirty, slatternly, uncared-for appearance, out of keeping with the grandeur of its natural surroundings. There is abundant proof of naval and military activity, but not of civil administrative effort. There is no apparent deficiency of executive staff, for half the revenues of Gibraltar (£64,890) are paid out in personal emoluments (£32,586) to members of the civil administration. What seems to be wanted is the creation of a nominated Executive Council, after the pattern of the Council of Government at Malta, to assist the local Colonial Secretary in the duties of civil administration. It might be possible for this purpose to strengthen the powers of the existing Sanitary Board, which is the only public administrative body at present constituted in Gibraltar. Squalor, which we expect to find in a Levantine seaport of the eastern coast of the Mediterranean,

¹ It has recently been decided by the Army Council to withdraw one battalion from the garrison of Gibraltar.

is inexcusable within the precincts of a great historic fortress which has become a big port of call for merchant shipping of all nations, and which is one of the main portals on the highway round the British Empire.

CHAPTER IV

THE BACK-DOOR OF THE MEDITERRANEAN

‘To destroy England we must take possession of Egypt.’—
Extract from a letter of Napoleon to the French Directory,
September, 1797.

THE local geographical-strategical characteristics at the eastern end of the Mediterranean Sea wholly differ from those at its western entrance. There is no great maritime fortress in British possession serving the double purpose of watch-tower and naval base, but in its place an open port accessible by international agreement, both during peace and war, to the ships of all nations going in and out of the artificial waterway which connects the West with the East. In spite of this dissimilarity of conditions, as long as Great Britain maintains her naval supremacy the door out of the Mediterranean is as closely locked as is the entrance-gate. Gibraltar is the key to the inland sea, not through its own local strength, but in virtue of the fleet for which it provides a secure base for offensive action. When Lord St. Vincent was ordered out of the Mediterranean in 1797, the use of Gibraltar was gone, and although an English garrison remained in occupa-

tion of the fortress, the mastery of the sea temporarily passed into the hands of the French and Spanish Admirals.

The strategical value of Malta is quite as great as that of Gibraltar. Art could not have improved the choice which Nature made for its geographical site. Placed midway on the direct route, 2,000 miles long, between the Suez Canal and the Straits of Gibraltar, some sixty miles south of



MALTA AND SICILY.

Sicily, nearly equidistant from Messina (180 miles) and Cape Bon (220 miles), Malta divides the Mediterranean Sea into two halves, and commands the approaches into the eastern half either through the narrow straits of Messina or through the eighty-mile channel between Cape Bon and the coast of Sicily. Based on Malta, the Mediterranean Fleet can refuse a passage to ships coming through these channels from the West except after a trial of strength. There can be no slipping through unobserved, as was so often the case during the war of

the French Revolution. Had Malta been in British possession in 1798, Nelson would have been there with his fleet, the Battle of the Nile would have been fought off Cape Passaro, and Napoleon's transports would never have reached Alexandria. More than once did the Emperor—that great master of strategy—refer to Malta as a place of 'priceless worth' in the maritime struggle between England and France. 'I would rather see the British on the heights of Montmartre than in possession of Malta,' were his last words to Lord Whitworth before the rupture of the Peace of Amiens.

Malta—the base of the Mediterranean Fleet—is the most powerful maritime fortress in the world, stronger than Gibraltar or Hong-Kong in having no land frontier to protect, and capable for this reason of greater powers of self-defence than any other of our Imperial strongholds. The garrison, which is maintained at war strength, consists of seven battalions¹ of infantry, with eight companies of fortress artillery and three of fortress engineers, besides a Maltese militia regiment of artillery and another of infantry—10,000 regular troops as against 6,000 at Gibraltar. The annual cost to the Imperial Treasury of the Malta garrison (including the militia force) is £720,000—the smaller garrison of Gibraltar costing £600,000. Malta Harbour has incomparable natural advantages for naval purposes. A graving-dock already exists, and a breakwater with two

¹ To be reduced to five battalions under Mr. Haldane's reduction scheme.

more graving-docks is in course of construction under the Naval Works Act of 1905, at an estimated cost of £950,000. The civil population of Malta is about 200,000, and forms one of the most thriving communities under British rule. Unlike Gibraltar, which is deplorably behind the times, Malta has an Executive Council to assist the Governor, and a legislative council of government, consisting of ten official and eight elected members. Owing to disagreement on the language question, the elected members have temporarily withdrawn from the business of the Council, and the work is carried on by the official members alone. In spite of this political *impasse*, Malta is admirably governed, its public works and general activity being in striking contrast with the depressing conditions of life in the Rock fortress.

It was not thought necessary to visit Cyprus, which is off the direct trade route through the Mediterranean, and hardly comes into present-day calculations. The definite purpose for which the island was assigned to England was to enable her to fulfil her treaty engagement, under the Convention of 1878, to protect Turkey from any further Russian aggression in Asia Minor. The Convention is now a matter of ancient history, the conditions under which it was concluded having been largely modified since the date of its signature. Under the strong, if harsh, rule of Abdul Hamid, Turkey, with the help of German capital and the pushful advice of the German Emperor, has enjoyed a

period of unexpected resuscitation, which has brought fresh life to her moribund existence. German interests are now being pushed with so much enterprise in Asia Minor that the possibility of Russian aggression is too remote for present consideration. Cyprus, for the time being, has lost the strategical significance which in 1878 was due to its geographical position, and the English garrison has now been withdrawn. The island remains, however, according to Lord Beaconsfield's intentions, as a future advanced base and *place d'armes* in the event of military operations taking place in Turkish territory. It has meanwhile enjoyed enormous benefit by coming under English rule. Since 1878 the population has increased from 180,000 to 250,000, and the revenue from £148,000 to £218,000. The annual tribute, amounting to £92,799, is a heavy drag on the financial prosperity of the country ; but it is satisfactory to know that this does not go into the Turkish Treasury, but is assigned to meet the interest of the Ottoman loan of 1855, which is guaranteed by England and France. Compared with the trade of Malta and Gibraltar, that of Cyprus is insignificant, only 469 steamers having entered and cleared in the island ports during 1904. When the new harbour works at Famagusta are completed, it is expected that a large entrepôt trade will be attracted to Cyprus, which is well situated to become a distributing centre of trade with the coasts of Asia Minor and Syria.

Under the terms of the Convention of 1888,¹ which was signed by all the chief maritime Powers of Europe, it was agreed that the Suez Canal should always be open, both in peace and war, to every vessel of commerce or war without distinction of flag. To insure this freedom of navigation belligerents are forbidden by the Convention to commit any act of hostility in the Canal or within three miles of its two terminal ports. When they are belligerents, ships of war may not remain in the Canal more than twenty-four hours ; nor may they revictual, or take in stores, at either terminal port, except in so far as may be strictly necessary.² Under Article IX. of the Convention, the Egyptian Government is authorized to take the necessary steps for executing the treaty, applying to the Porte for assistance if required, and, as a last resource, concerting with the signatory Powers. With England's support firmly established behind his back, the Khedive will be able to carry out his engagements regarding the security of the Canal without invoking extraneous help either from Turkey or the Powers.

¹ The full text of the Convention is given at the end of the volume in Appendix III.

² When the Russian ships passed through the Canal during the war with Japan, the rules laid down in the Convention for the conduct of belligerent vessels were strictly carried out, the Egyptian Government finding no difficulty in enforcing the powers conferred by the Convention. The circumstances were, of course, simplified by the fact that the ships of only one of the belligerent Powers made use of the Canal during the war.

Two reasons, both based on misconception, are constantly urged for abandoning the Mediterranean route in time of war, and diverting its trade round the Cape. The first of these reasons is the risk of the Suez Canal being blocked by a Power at war with England; the second being the danger to British merchant vessels, while running the gauntlet through the narrow inland sea, of capture, or, if capture is impracticable, of being sunk, as the Russians sank the Japanese *Kinshui Maru*, or as the Japanese sank the Chinese *Kow-Shing*. As regards blocking the Canal, no signatory Power, whether belligerent or not, can do this without breaking the Convention of 1888, and playing into the hands of Great Britain, who would then be free to safeguard her own interests in the Canal without further reference to the broken Convention. A temporary block can be speedily removed, as was shown last year by the case of the *Chatham*, which was cleared out of the Canal channel by means of dynamite without damaging the Canal banks. The English Government would prevent a repetition of such an occurrence if ever it took place in time of war. *Beati possidentes*. Commissioned by the signatory Powers loyal to the Convention, and with the consent of the Sultan, English ships could be made available to police the Canal, and assist the Egyptian Government in carrying out the provisions of Article IX. of the Convention. As regards the risks to merchant ships, these risks are greater by the Cape than by the Mediterranean route,

because the way is longer, the coaling stations are fewer, and opportunities easier for the enemy's torpedo craft to evade the British destroyers. In the narrow waters of the Mediterranean the numerical superiority of our warships would make itself felt with a more certain and decisive hand than in the wide seaways of the South Atlantic and Indian Oceans. Looking at this question from a strategical point of view only, it may be noted that Germany has no naval base in the Mediterranean, but has a well-equipped one in the Cameroons; while the French are installed at Goree as strongly as at Oran and Biserta. Naval opinion has ceased to 'wobble' on this question, the writer of this chapter having the best reasons for stating that two distinguished naval authorities—Prince Louis of Battenberg and Lord Charles Beresford—have, since the completion of the Admiralty shipbuilding programme, both changed the views which they formerly held, and now believe not only in the necessity, but in the practicability of protecting British commerce along the Mediterranean route during time of war. The last word will, however, always depend on the 'fleet in being.' Battleships, as Lord Nelson used to say, are the best 'negotiators of peace.' As long as the present balance of naval strength is maintained in England's favour, and there be no more drifting to leeward, the trade routes of the Empire, not in the Mediterranean only, but everywhere else, will remain secure.

CHAPTER V

THE SUEZ CANAL

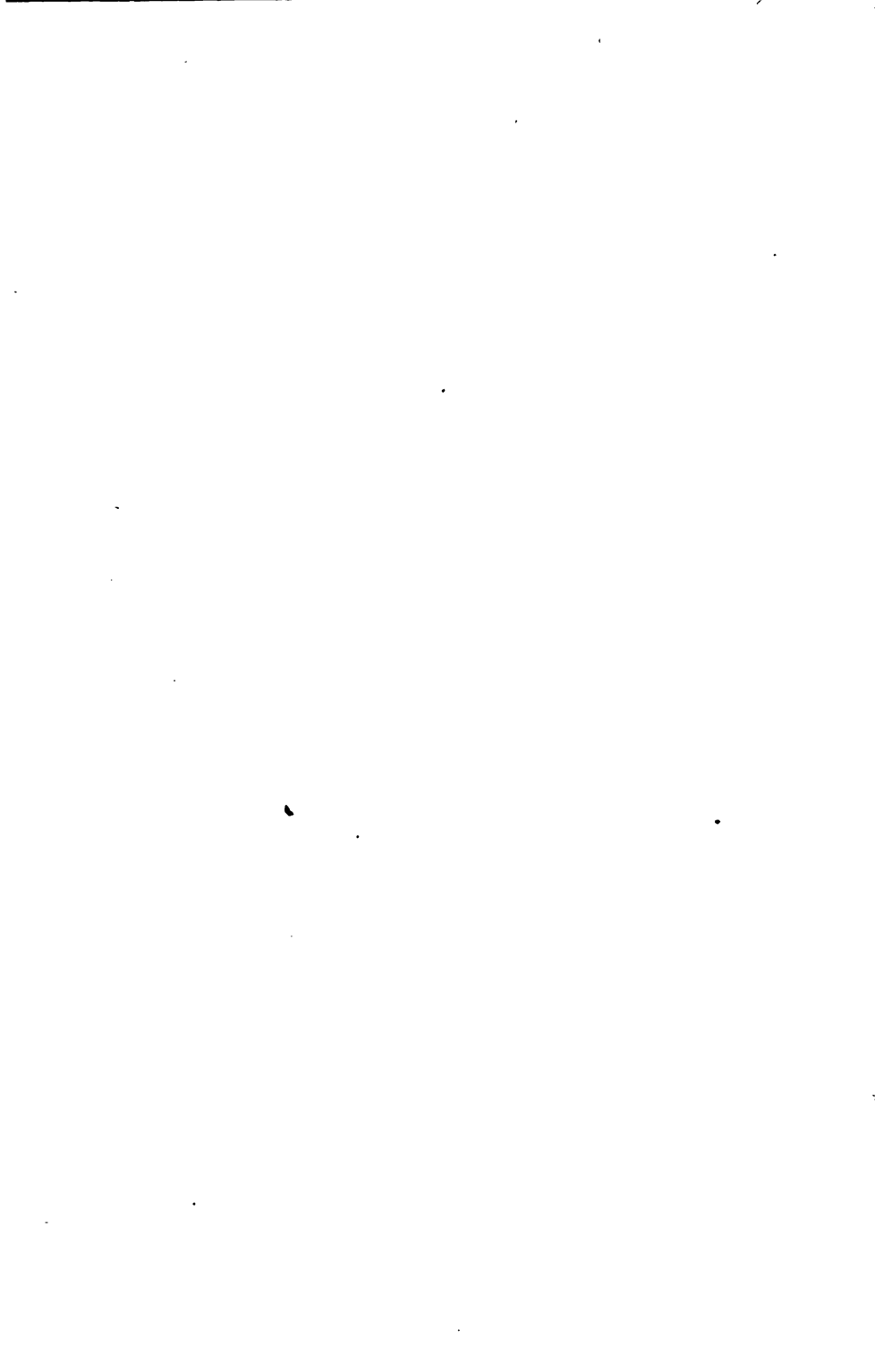
IN criticizing the administration of the Suez Canal Company, it must be remembered that we are dealing with a monopoly which has been created by the genius and energy of the French people. It is true that the English Government acquired, by a masterful stroke of unique statesmanship, a large share in this monopoly ; but the French own twice as much of the share capital of the canal as the British Government—the approximate figures being £65,000,000 French, as against £31,000,000 English capital—and consequently possess the inherent right and vested interests of original and predominant partnership.

The Managing Council of the Suez Canal consists of twenty-two French and ten English directors, three of whom, Sir John Ardagh, Sir Henry Austin Lee, and Mr. Anstruther, represent the British Government ; the other seven directors, chief among whom is Sir Thomas Sutherland (chairman of the Peninsular and Oriental Steam Navigation Company), representing the British ship-owners.



PORT SAID
Entrance to the Suez Canal





French and English interests naturally clash, the French directors wishing to increase their shareholders' dividends, the English directors wishing to reduce the rates of transit. How high those rates are may be gathered from the fact that since the purchase of the Khedive's shares by Lord Beaconsfield's Government in 1875, there has been paid into the British Exchequer some £10,000,000 in dividends and interest, the original cost of the shares being only £4,000,000. As nearly three-fourths of this sum comes into the Exchequer out of the pockets of British ship-owners, the latter complain, not without reason, that they are taxed for the benefit of those who do not use the Canal. The British directors admit the force of the complaint, but being in a minority of two to one, they are always liable to be outvoted when propositions are made for reduction of dues.

Their influence has, however, not been without results. The original tariff, which was 10 francs per ton in 1870, and was raised to 13 francs in 1874, was, in 1877, reduced by $\frac{1}{2}$ franc a year till it became, by process of reduction, 9 francs, remaining at that figure till 1893. In that year, owing to the continually increasing traffic, the Council agreed, after considerable pressure from the British directors, to a further reduction of $\frac{1}{2}$ franc; but after that time no further reduction took place till January 1 of this year, when the tariff was again lowered by 75 centimes, bringing the rate of dues down to $7\frac{3}{4}$ francs per ton. If the traffic continues

to increase as hitherto, it ought to be possible to make still further reduction of dues, and at the same time carry out the much-demanded and necessary improvements.

In view of what has just been said, although the Canal dues continue to be exorbitant, the directors cannot be fairly accused of taking up a *non possu-mus* position in regard to the financial interests of their customers. This being so, any proposal to construct a rival competitive canal with British capital must be negatived as wholly inopportune. The necessary capital would, no doubt, be forthcoming in Liverpool alone; but the French Government could not reasonably be expected to consent to an undertaking which would discount the value of a great and valuable national asset, of which the French people are justly proud. If, without French consent, a concession for a new canal was extorted from the Khedive at the point of the bayonet, the English would lay themselves open to the charge of using their undoubted influence in Egypt not for fair and square 'Open Door' purposes, but for selfish national ends. *Vis consili capers mole ruít sua*. Such a proposal, if seriously made, would strike a deadly blow at the friendly relations between the two countries, the Anglo-French Agreement of 1904 having given the English a free hand in Egypt on the faith of a promise to maintain the *status quo* in regard to all legitimate French interests. In the present state of European politics the proposal must be unhesitatingly ruled out of

the question. It may, however, be possible to give some pecuniary compensation to British ship-owners by means of a rebate out of funds accruing to the Exchequer from the Suez Canal shares.

Apart from political considerations, the congestion of traffic is not yet sufficient to justify the construction of another canal, which, with the necessary ports of access, would involve a capital expenditure of at least £12,000,000. A better solution than new construction is to be found in further and more comprehensive developments of the existing scheme of improvements. At the same time, it cannot be said that the directors of the Canal Company have been non-progressive. During the past twenty years steady spade-work has been constantly going on. In 1870 the Canal had a depth of only 26 feet 3 inches, and a bottom width of 72 feet. In 1887-1888 it was deepened by $\frac{1}{2}$ metre, and the bottom width was gradually increased to 108 feet. The curves in the channel were at the same time rounded off, in order to accelerate the speed of vessels. During the years 1898-1904 passing stations were constructed 820 yards in length, at intervals of three miles, with a bottom width of 150 feet. At this time, also, the depth of the channel was increased all along to $29\frac{1}{2}$ feet, and in 1902 ships drawing 26 feet 3 inches of water were allowed to use the Canal. Work is still in progress with the intention of increasing the depth to 31 feet and the bottom width to 128 feet, when it will be possible to

increase the rate of speed from six miles to nine miles an hour, reducing the average time of passage from eighteen to twelve hours. The steamer in which the writer went through the Canal took sixteen and a half hours to effect the journey. Battleships can at present go through if they dismount their heavy guns into lighters, and coal at the far end of the Canal. When a depth of 81 feet is obtained, even the *Dreadnought* could make the passage carrying her ten 12-inch guns on their mountings. If the directors will be sufficiently far-sighted to incur the expense of widening the Canal throughout its length by connecting the existing passing stations, and thus give a continual surface width of 800 feet, with a bottom width of 150 feet, this would accomplish the duplication of the Canal, and vessels could pass each other without losing time at the passing stations. Tying up in a passing station means the loss of at least an hour. It has been estimated that the cost of the proposed extension would not exceed £1,000,000—a capital expenditure which could not fail to be remunerative, and would set at rest for all time the construction of a rival canal.

If this is to be done no time should be lost, as the traffic is certain to increase in corresponding proportion to the annual development of the world's trade and shipping. From the first year of opening the Canal, when the transit receipts amounted to only 54,460 francs, down to 1904, when the receipts were 115,818,479 francs, there has been a steady, continuous annual growth of traffic; and what is

specially to be noted is that each reduction of transit dues has been nearly always immediately followed by an increase in receipts. It will be interesting to see if this increase will be maintained during the current year, now that the tariff has been reduced to the unprecedentedly low rate of 7 francs 75 centimes per ton.

What is certain is that for inter-trade communication between Europe and the East the Suez Canal holds the field against all alternative routes. Disappointment can only come to those who think that the proposed railway through Asia Minor and Mesopotamia to the head of the Persian Gulf will convey a single ton of merchandise except what is intended for local markets. Nor will the Panama Canal, when made, cause any appreciable disturbance to the trade passing through the Suez Canal. Sydney is 541 miles, Yokohama 1,605 miles, and Shanghai 8,867 miles nearer England by the Suez than by the Panama route. If a free passage through the Panama Canal were granted to vessels coming from these ports to Europe, the new canal would still be unable to compete with its rival at Suez with so heavy a dead weight of distance to make up.¹ When the writer was outward bound for

¹ The promoters of the Panama Canal at one time claimed that the New Zealand trade with English ports would be diverted from the Cape Horn route to that through the Canal; but though Wellington is some 696 miles nearer Plymouth by Panama than by Cape Horn, the Canal dues will more than counterbalance this small advantage of distance gained.

Japan last March he saw two American transports in the Suez Canal *en route* to Manila with troops. As that port is 1,016 miles nearer New York via Panama than via Suez, the latter route, when the Panama Canal is open, will lose the transport service of American troops to the Pacific ; but this is about the only loss that can at present be foreseen.

The future prospects of the Suez Canal are entirely encouraging, being free from serious risk of competition, and possessing the requisite conditions of permanent stability. It only remains for the company, while mindful of its own interests, to conduct its business on still broader and more progressive lines than has hitherto been the case, remembering always the just claims of their customers who use the Canal, as well as the pecuniary interests of the shareholders who own it. Then will this great international artery of commerce continue to flourish, adding, as years roll by, more and more to the posthumous credit of its distinguished French founder, on whose statue, overlooking the Canal entrance at Port Said, may be truthfully inscribed that beautiful epitaph which Horace has bequeathed to posterity :

‘ Exegi monumentum ære perennius,
Regalique situ pyramidum altius ;
Quod non imber edax, non Aquilo impotens
Possit diruere, aut innumerabilis
Annorum series, et fuga temporum.’

CHAPTER VI

ADEN, THE SENTINEL OF THE RED SEA

ADEN, which is the next place of salient importance on the Imperial trade route to the East, was the first new territory added to the Empire during the reign of Queen Victoria, its acquisition in 1889, on a trivial excuse, being one of those opportune political strokes which have given geographical continuity to British possessions scattered over the world. Aden is an extinct volcano, five miles long by three miles broad, jutting out into the sea much as Gibraltar does, having a circumference of about fifteen miles, and connected with the mainland by a narrow isthmus of flat ground three-quarters of a mile wide. Barren and black, dreary and waterless, destitute of every natural gift, but possessing the priceless advantage of a magnificent harbour, the famous Arabian coast stronghold, situated just outside the entrance to the Red Sea, nearly midway between Port Said (1,475 miles) and Bombay (1,650 miles), at the junction where the trade route through the Suez Canal begins to bifurcate—one way leading to India, the other to the Pacific—has

a strategical importance second to that of no other place in the Empire.

It should be understood that Aden is not a naval base in the same sense as Gibraltar, Malta, and Hong-Kong, but a *point d'appui*, a rendezvous and striking-point for the fleet. It was seized in 1839 as a harbour of refuge for British ships, and from a strategist's point of view this is its primary purpose and the *raison d'être* of its forts and garrison. Ships can always coal in Aden Harbour under the protection of the guns, which command the approaches to the fortress. The natural strength of Aden makes it independent of the fleet. Until it was captured by a combined naval and military expedition sent from India, Aden was a maiden fortress, having never been delivered into an enemy's hand except by treachery. Geographically belonging to Arabia, it was for many years held by the rulers of the province of Yemen as an outlet for internal trade, the Romans, the Persians, the Portuguese, and the Turks having successively failed to gain permanent possession of the place. Albuquerque founded Portuguese settlements in East Africa, in the Persian Gulf, in India, and at Malacca, but he was repeatedly baffled in his efforts to capture Aden. Under British rule Aden has retained its ancient prestige as a fortress of impregnable strength, invulnerable by sea and by land, dominating the entrance to the Red Sea, and valuable to its owners as a commercial emporium, a port of call, and a cable centre.

Owing to causes for which no satisfactory explanation is forthcoming, Aden has not advanced with the same progressive strides which have marked the development of other British dependencies. Our object seems to have been to get all we can from the place, and give as little as possible in return. With unique opportunities for political and commercial expansion, little has been done during sixty-five years of British rule to extend the benefits of civilization and good government in the surrounding locality. The neighbouring tribes are subsidized to keep quiet, British initiative beginning and ending with doling out annual bribes in order to purchase peace. Circumstances may have rendered this policy necessary, but it is not inspiring from the point of view of Imperial responsibility. We talk of the 'blight' of Moslem rule, but British rule under the conditions found at Aden is not much better. According to their lights and opportunities, our predecessors did their best for Aden. The Persians built those wonderful tanks, hewn by stupendous labour out of the solid rock, and the Arabs made an aqueduct, twenty miles long, and now in ruins, to bring water from the interior into their sea fortress; we have done nothing except to mount guns to protect our coal-yards. The activity of the Turks in the Hedjaz and of the French at Djibuti are in striking contrast with the slow development of English rule at Aden. Trade flourishes, as it cannot help doing, in this natural emporium of commerce; but it gets

little help from the Government. Life at Aden is melancholy beyond description. Restricted as is the liberty of the Chinese coolie on the Rand, it is not more so than that of the British soldier at Aden. Provided with a pass, the former can go in and out of his compound, enjoying the liberty of a free man. At Aden officers and men are alike forbidden to go beyond Shaikh Othman, a native settlement just outside the fortress gates. It is not suggested that this, and other necessary restrictions, could be removed under existing conditions, which require Aden to be shut off from intercourse with the surrounding tribal world, but none the less must garrison life be well-nigh unbearable to the active young Englishman in this mournful, God-forsaken region, which has been faithfully described by the Persian poet as 'giving to the panting sinner a lively anticipation of his future destiny.'¹

The first necessity is to transfer Aden from the Bombay Presidency to the Colonial Office. There is no more reason why Aden should belong to Bombay than Singapore to Madras. The Government of Bombay—itsself subordinate to the Government of India—has enough to do at home without being saddled with the administration of a colony 1,700 miles away. What Aden wants is external development and political expansion, and this can only be accomplished by the strenuous five years'

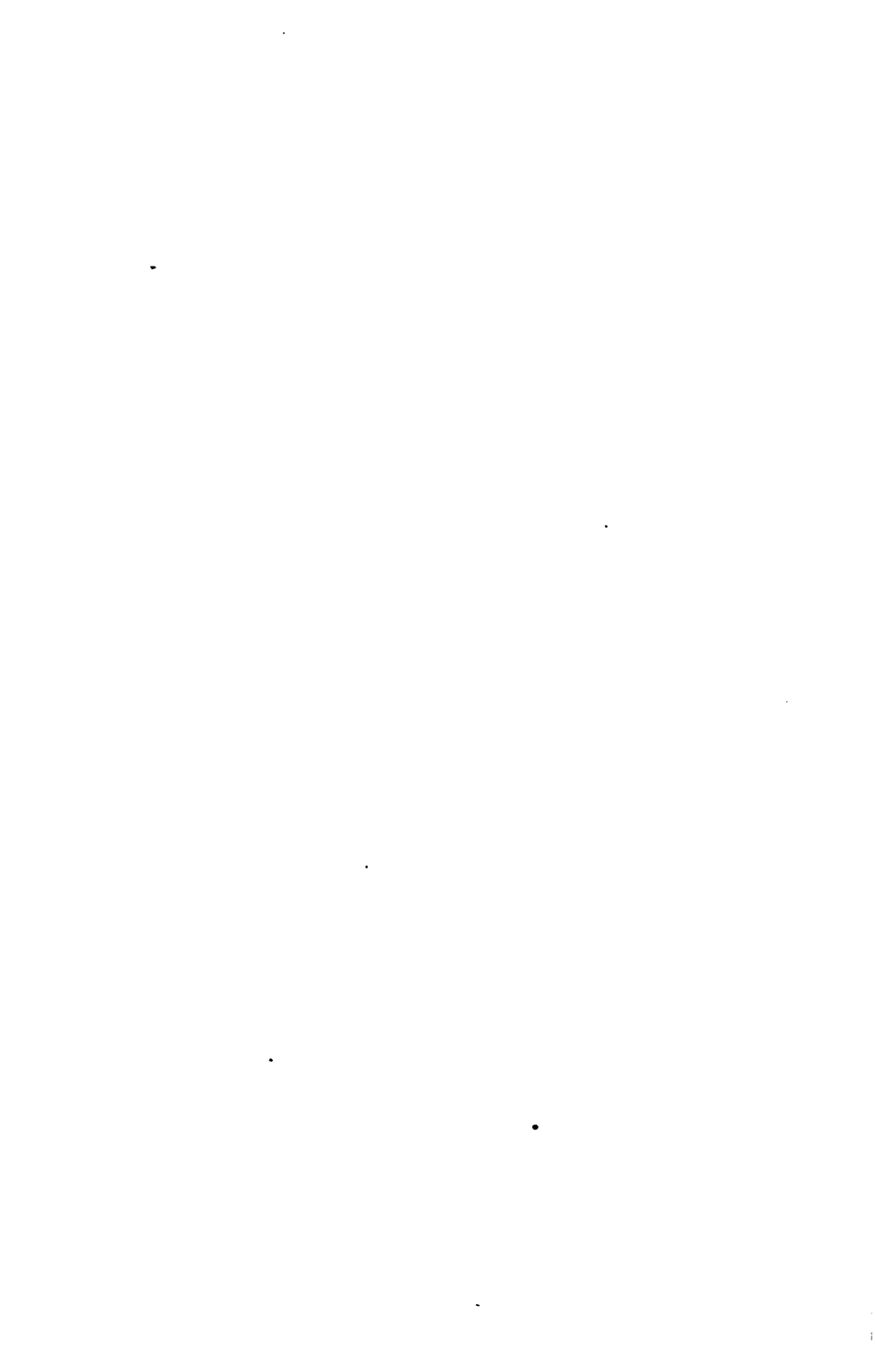
¹ Recognizing the depressing conditions of life at Aden, the military authorities only keep troops there for a limited period not usually exceeding one year.



ADEN
Steamer Point

Photo: J. M. Gordinho, Aden

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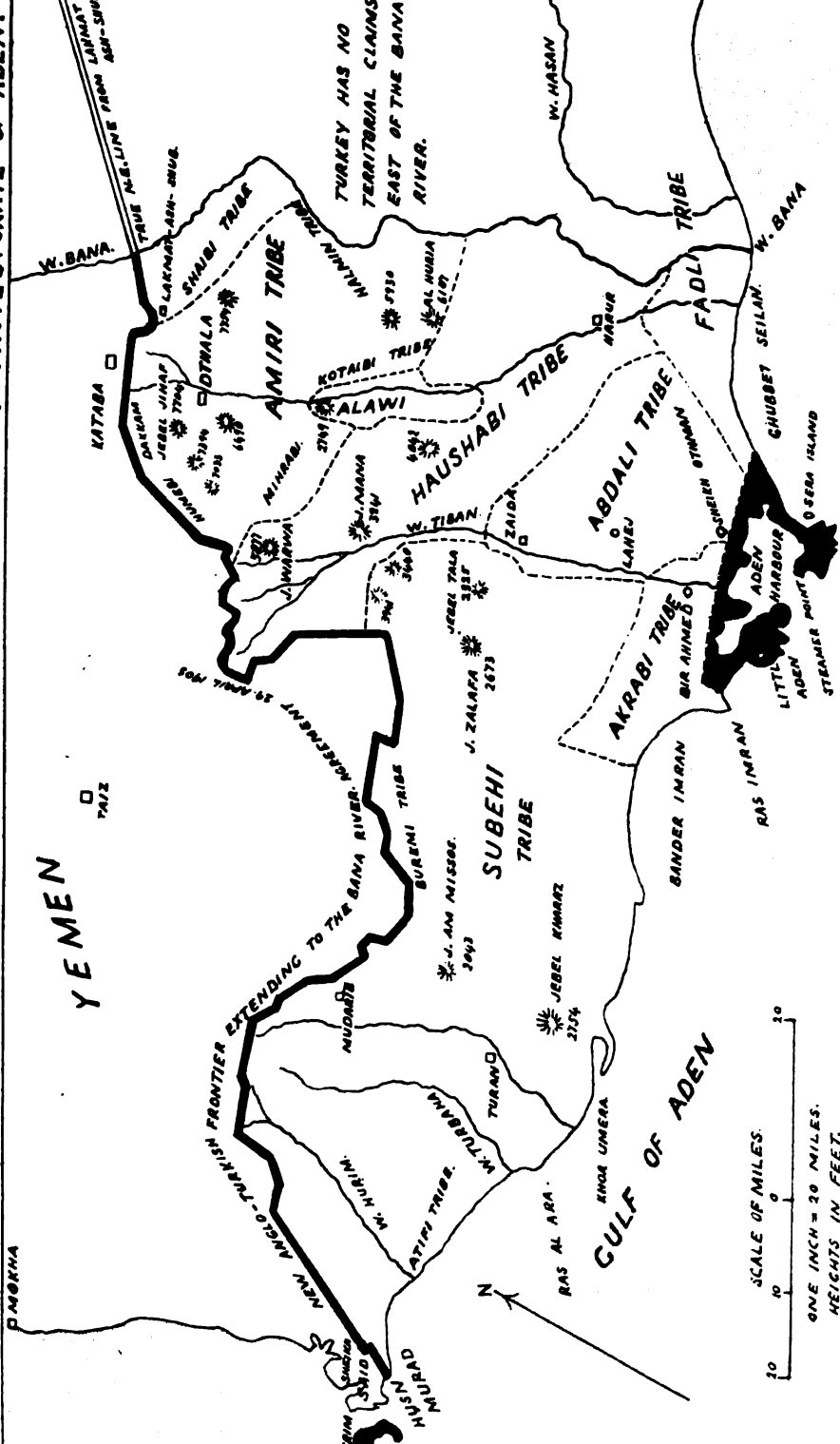
rule of a local Governor trained in the school of a Crown Colony administration, and directly responsible to the Colonial Office. Hitherto the Resident at Aden—a General officer of the Bombay army—has been chosen by the ordinary process of military seniority rather than for the possession of special qualifications for civil administrative duties, a primary condition of holding office being the willingness of the incumbent to conduct the government on humdrum lines, to the avoidance of all difficulties likely to cause trouble to his Bombay masters. What has been asked for has not been capable administration, but colourless rule. *Quieta non movere*. Yet Aden is yearly growing in political importance, and in skilful hands has future possibilities as remarkable as those realized at Singapore under the vigorous lead of Sir Frank Swettenham. Now that the Turkish frontier has been demarcated,¹ and the British sphere of influence defined, no time should be lost in bringing the neighbouring friendly tribes—notably the Abdali, the Fadhli, and the Akrabi—under the same wholesome control as are those of the Federated States of the Malay Peninsula.

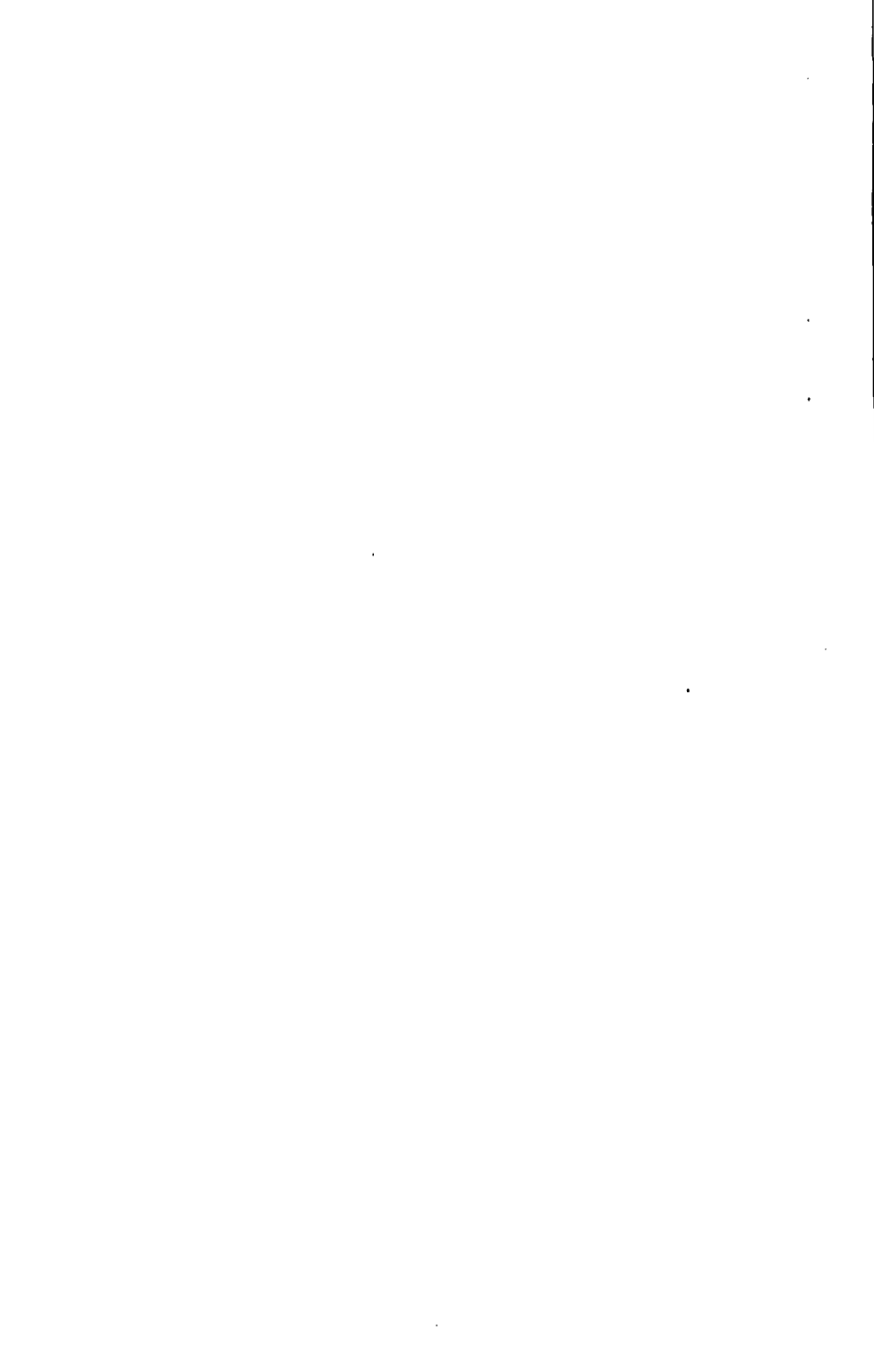
¹ Colonel Wahab, C.B., C.M.G., C.I.E., R.E., and Mr. G. H. Fitzmaurice, C.B., C.M.G., of the Constantinople Embassy, were appointed in 1902 as Commissioners to delimitate the frontier between Turkish territory and the British protectorate round Aden. A Convention was signed on April 29, 1905, and a revised map is now being prepared showing the frontier from the river Bana to Husn Murad opposite the island of Perim.

When this has been done, the Aden hinterland can be opened up, and a hill station founded and connected by rail and wire with the sea fortress below. As may be gathered from the sketch map which accompanies this chapter, a suitable site for such a station could be found in the high country near Dthala, which was occupied by a British garrison on behalf of the ruling Ameer during the proceedings of Colonel Wahab's Boundary Commission. Most amicable relations have been established between the Ameer and the Aden Government, to whose resistance to Turkish encroachments Dthala owes its continued existence as an independent tribe under British protection. The construction of a light railway to Dthala would be the certain means of developing the interior and restoring the ancient trade of South Arabia. Unaccustomed to receive European guests, owing to the opposition of the Aden authorities, a certain amount of fanatical resentment, which was largely due to Turkish intrigue, was shown when British officers were lately engaged on boundary work; but the temporary unrest has subsided, and with patience and firmness the whole of that part of Arabia which is under British influence might be reclaimed to civilization, and commercial relations eventually established with the fertile valley of the Hadhramout and the still more fertile district of the Gara Mountains.¹

¹ Lord Lamington, Governor of Bombay, visited Aden in 1905 to confer with General Mason, who was Resident at the

SHOWING THE NEW BOUNDARY BETWEEN TURKISH YEMEN AND THE BRITISH PROTECTORATE OF ADEN.



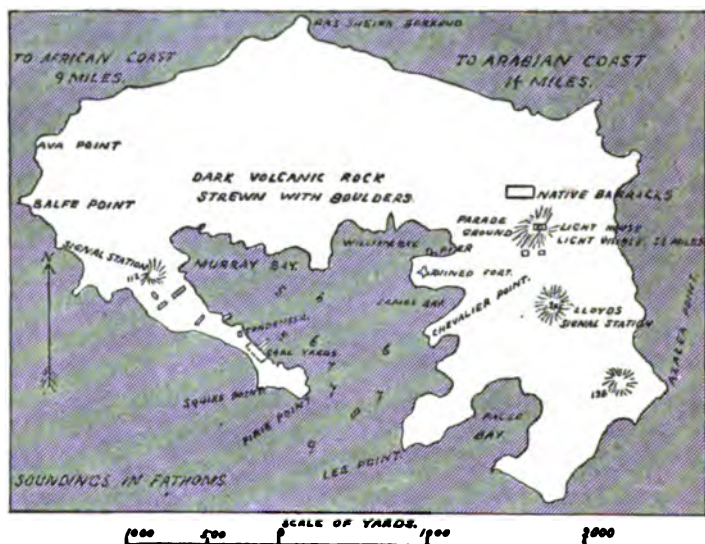


Strategical control of the Red Sea was rendered complete by the annexation to England of the islands of Perim and Socotra, which may both be regarded as outposts of Aden, and are under the political jurisdiction of the Resident.

The former island, about four and a half miles long by one mile and a half broad, is situated in the Straits of Bab-el-Mandeb, dividing the entrance to the Red Sea into two channels. The island contains an excellent harbour, with a depth of 5 to 6 fathoms of water. It was first taken possession of in 1799 on behalf of the East India Company by a detach-

time, regarding the future relations of the Government with the hinterland tribes; but so far the visit has been barren of results, and no steps have yet been taken to carry out General Mason's proposal to arrange with the neighbouring chiefs for a hill sanatorium. Mr. Morley's latest statement of policy in the House of Commons on the 19th December last gives no indication of intention on the part of the Government of India to move in the desired direction. The British garrison was withdrawn from Dthala in December, 1906, a political officer being left behind with a small native escort only. In reply to Mr. C. H. W. Wilson, Mr. Morley spoke as follows: 'The permanent location of troops at Dthala, whether at a sanatorium or otherwise, has never been sanctioned either by the late or the present Government. The withdrawal of troops from Dthala, now that the delimitation proceedings are completed, is in accordance with the statement of policy made in the House of Lords on March 30, 1903—viz., that His Majesty's Government had never desired to interfere with the internal and domestic affairs of the tribes on the British side of the boundary, but had throughout made it plain that they would not assent to the interference of any other Power with those affairs.'

ment of troops from Bombay, with the intention of preventing the French, who were then in occupation of Egypt, from passing through the straits to join hands with Tippoo Sahib; but when the French Army evacuated Egypt the island was abandoned. It was reoccupied in 1857, and is now garrisoned



PERIM ISLAND.

by a company of native infantry detached from Aden. The Perim Coal Company have had a coal depot in the island for nearly twenty-five years, and are doing a considerable business; but the policy of allowing a large stock of coal to be collected in an exposed and undefended harbour, when Aden is only ninety miles away, has often been the subject of criticism.

Socotra is an island 71 miles long by 11 broad,

situated about 240 miles from Cape Guardafui, and 500 from Aden. There is no harbour in the island, but the port is Kalenzia, facing the African coast. Socotra was occupied by the Portuguese under Albuquerque in 1507, but owing to the want of a harbour it was abandoned. In 1885 the island came under British influence, and for some months a brigade of Indian troops was encamped on the plain of Tamarida. At one time it



SOCOTRA ISLAND.

was contemplated to hold the island for naval purposes and as a coaling station, but owing to its harbourless shores Aden was selected instead. In 1886 Socotra was annexed to England, and came under the jurisdiction of the Aden Residency. The inhabitants are a peaceful, law-abiding people, chiefly occupied in pastoral pursuits, and are estimated at about 10,000.

Like Gibraltar in the Mediterranean, Aden stands sentry over the entrance to the Red Sea ; but, unlike the Rock fortress, it contains no dock-yard where ships can refit. As long as the political

situation in the Middle East remains unchanged, no other naval base is required than that of Bombay. None the less are the fortifications of Aden necessary as a link in the chain of communications with the East. Stationary defences add to the mobile strength of the navy by freeing the fleet for offensive action. Secure coal depots must be established along the great Imperial trade routes, for use by merchant vessels in the absence of naval protection. The conditions of Imperial defence require that there should be a sufficiency, and not more than a sufficiency, of these strong places; that the sites should be judiciously chosen; and that they should be self-contained and self-defensive. After visiting Aden, I am confirmed in the opinion that the place satisfies the above conditions, and that when it has been released from its dependent connection with India, raised to the dignity of a colony, and granted the necessary powers of expansion, its political and commercial value will be enormously enhanced, and its strategical prestige as the great *place d'armes* of the Middle East correspondingly magnified.

CHAPTER VII

THE RED SEA AND THE PERSIAN GULF

BESIDES Great Britain, three other European Powers have territorial interests in the Red Sea—Italy, France, and Turkey. It will be well, before leaving Middle Eastern waters, to take stock of these interests, and ascertain how far they constitute national assets for the countries concerned, and to what extent they enter into the strategical-commercial situation as between themselves and ourselves.

On the west coast of the Red Sea, Italy and France are alone concerned. The claim of the Ottoman Porte to territorial sovereignty has always been nebulous, has never been supported by effective occupation, and, since the English protectorate of Egypt, has ceased to exist, or at any rate it exists only by the sufferance of Great Britain.

The history of Italian intrusion into the Red Sea may be briefly summarized. In 1870 the Rubattino Steam Navigation Company acquired Assab Bay by purchase from the Arab chief who

claimed the ownership. In 1880 the Italian Government annexed the settlement, and asserted its rights of sovereignty, the Egyptian Government at the time refusing to acknowledge the justice of the Italian claim. After the events of 1882 an understanding was arrived at with England, and a free hand was given to Italy. Continuing their policy of aggression, in spite of constant difficulties with the local tribes, the Italians annexed Massowah in 1888, and in 1889 declared a protectorate over Abyssinia. In that year Menelik, King of Choa, was proclaimed Emperor of Abyssinia, and with the reorganized army of his united kingdom attacked the Italians all along the line, defeating them disastrously at Adowa in 1896, driving them back on Massowah, and compelling their Government to ask for peace. By the terms of the treaty signed at Adis Ababa, Menelik's capital, Italian territory was in future limited to a narrow strip of barren country, about 700 miles long by 150 wide, now known under the name of Eritrea. Further south, in East Africa, Italy acquired, by agreement with England in 1891, a protectorate over that portion of the Somali coast which lies between Cape Guardafui and the river Juba—a country as barren and non-productive as Eritrea.

The Italians would have done well if they had taken Lord Granville's advice in 1881, and kept their hands off the Red Sea littoral. Their intrusion in that region has no political *raison d'être*. 'We have as much right to Assab Bay as you have

to Aden,' remarked General Menabrea to Lord Dufferin. But the circumstances were different: Aden was occupied to supply a much-needed want; Assab Bay to gratify a spirit of adventure. It will be time enough for Italy to think about external expansion when she has consolidated her new kingdom, curtailed her expenditure on armaments, reduced her debt, and organized her resources. For the present her African possessions, acquired by the expenditure of many valuable lives and much treasure, are only a useless incubus, possessing no possibilities, and continuing to drain the strength of the country.

France is in a different position, being a colonial Power, and requiring a half-way house between Marseilles and Saigon. As long ago as 1860 the French Government obtained from the chiefs of the Danakil tribe the cession of Obokh, a small port on the north side of the Gulf of Tajourra, which is situated on the African coast nearly opposite the island of Perim. When Aden closed her coal-yard to France during the French War in Indo-China in 1885, the French transports coaled at Obokh. But Obokh was found to be too exposed to the south-west monsoon for the purposes of a safe harbour, and in 1886 the Sultan of Zeilah sold Djibuti, on the south coast of the Gulf of Tajourra, to the French Government. By a treaty concluded in 1888 the British Government recognized French possession of the whole Gulf of Tajourra and adjacent coast territory, together with

the islands of Musah at the gulf entrance. In 1895 the seat of government was transferred to Djibuti, which is now a flourishing port, secure from the south-west monsoon, and well equipped with landing-piers. Djibuti contains a population of some 12,000, of which number 2,000 are Europeans.

Unlike the British at Aden, the French have made good use of their time at Djibuti during the past ten years. In 1894 a concession was obtained from the Emperor Menelik for the construction of a railway from Djibuti to Harrar, the famous capital of the Gallas country, which is now part of Menelik's dominions. A French company was formed, and railway construction began in 1897. In 1900 sixty-eight miles of the line were opened for traffic, and by the end of 1902 the railhead had been carried to Diré Daoua, a distance of 186 miles from Djibuti and thirty from Harrar. An Aden merchant, who had just returned from Djibuti, gave me full particulars about this railway, which is to be carried with the least possible delay to Adis Ababa as soon as certain preliminary negotiations have been completed between the British, French and Italian Governments.¹ So anxious is

¹ These negotiations have now been completed, and an agreement between Great Britain, France, Italy, and Abyssinia was signed in London on December 18 last, a summary of its highly important and far-reaching provisions being given in Appendix IV. A salient feature of the agreement is the recognition of France's claim to complete

Menelik to see the railway enter his capital that he is making the necessary embankments for the extension at his own expense, and in a recent conversation referred with some impatience to the diplomatic delay in settling the necessary preliminaries for completing 'my railway' to Adis Ababa.

French energy is bearing good fruit. The British Somaliland protectorate, lying between the Gulf of Tajourra and Cape Guardafui, contains two ports, Berbera and Zeilah, both of which are losing the export trade hitherto monopolized by them with Harrar and Choa. The receipts from the French railway amounted last year to more than 1,000,000 francs, and a gradual but decided diversion of trade from the old caravan routes is annually taking place. The journey from Djibuti to the railhead at Diré Daoua occupies thirteen hours, as against twenty-five days by camel route from Zeilah, and the transit rates are cheaper. When the line reaches Adis Ababa, Djibuti will automatically absorb the entire trade of the richest provinces of Abyssinia. What France under great difficulties has done at Tajourra, England might long ago have accomplished at Aden if opportunities had been used, British enterprise encouraged instead of being thwarted, and had the governing authorities been

the existing railway to Adis Ababa with a branch from Diré Daoua to Harrar, while the right to construct railways west of Adis Ababa is conceded to Great Britain.

required to bring the same administrative energy to bear on their work as our French neighbours have shown on the opposite coast of Africa.

On the east coast of the Red Sea the Turks have got their hands full just now with the Hedjaz Railway, and also with the Arab revolt in the Yemen. In the absence of official news, information gathered when the writer was at Aden confirmed the recent rumours of Turkish military reverses during the early part of last year. The Sultan's troops were heavily defeated before the Arab fortress of Shahara, and Marshal Ahmed Fezi Pasha was compelled to evacuate Sana'a, the capital of Yemen, and retreat towards Hodeida. All accounts represented the revolt as gaining in force under the leadership of the Imam Yahya, who has displayed great military ability in fighting against the Turkish troops, and is giving successful expression to the popular cry of 'Arabia for the Arabians.' Abdul Hamid would do well, if he does not want to lose Arabia, to send large reinforcements to crush the rebellion before it extends to the Wahabi tribes of the Nejd district.

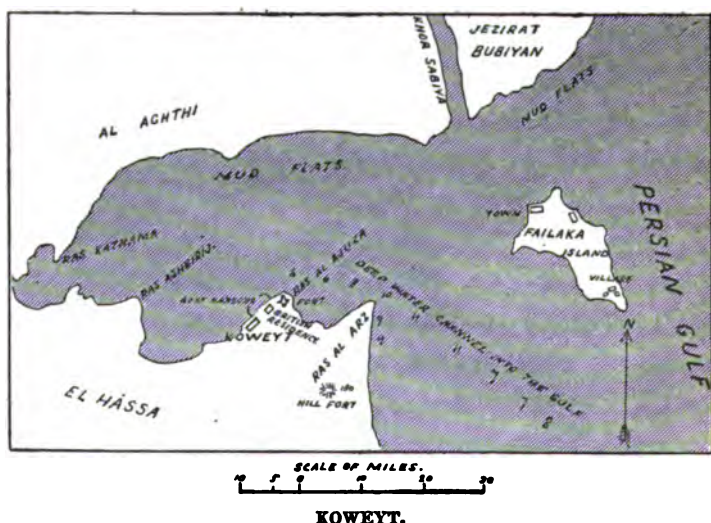
Had the long-projected railway from Damascus to Mecca been completed, Fezi Pasha's beaten army could have been reinforced more quickly than is now possible, when troops can only be sent by sea route to Hodeida. The railway, which has long been in Abdul Hamid's mind, is being constructed by Turkish soldiers, and is already open to Tebuk, a point about 170 miles beyond Ma'an and 280

miles south of the Dead Sea, being thus nearly half-way to Mecca. The work has been entrusted to a German engineer, and the whole of the railway material is of German manufacture.¹ It is expected that the line will reach Mecca in three years' time, when the Sultan's hold of Arabia will be enormously strengthened.

Turning now to the Persian Gulf, it was satisfactory to hear, while visiting Aden, that both the Home and Indian Governments are alive to the nature of the attacks which are being made on British commercial interests in the Gulf region. The value of British trade with Persian Gulf ports amounts to nearly £4,000,000 annually, 75 per cent. of the total imports into Persia by this route coming from the United Kingdom and India. These figures indicate the value of an asset of increasing worth which must not be lost to the Empire. A stronger assertion of diplomatic pressure seems to be required for the protection of British commercial interests in Persia. The new Customs tariff which was forced on Persia by Russian pressure, and which came into use in 1908, has been carefully drawn up to favour Russian and exclude British imports. The results of the tariff are making themselves felt on British trade with Persia. During 1904 there was a decrease in imports from the United Kingdom amounting to £29,708, while

¹ According to information lately received, orders have been placed in Germany for 17 locomotives, 250 carriages and trucks, and other material for use on the Hedjaz Railway.

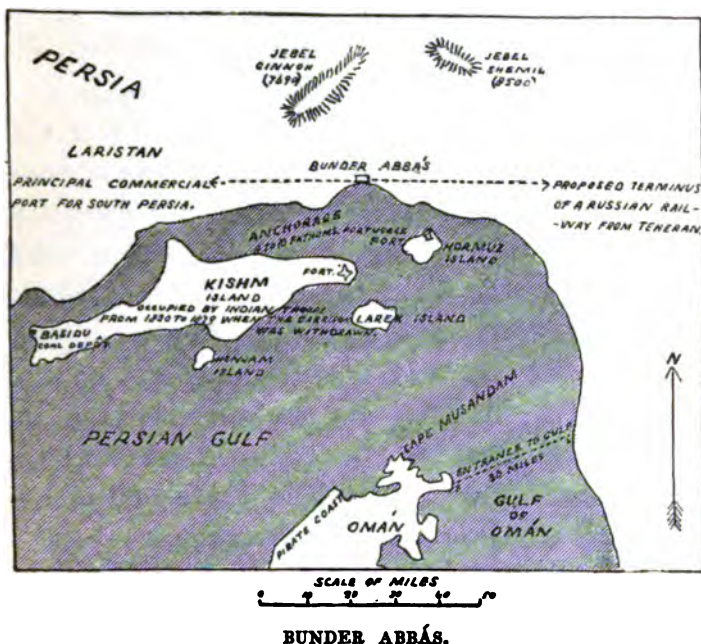
there was a corresponding Russian increase amounting to £21,985. Owing to the 100 per cent. *ad valorem* duty placed on tea, there was a decline of 61 per cent. of tea imported into Bunder Abbás as compared with the previous year. In the face of these and other figures, is it not time for Great Britain to give up her *laissez-faire* policy, and assert



her power by requiring a revision of the Customs tariff which was secretly negotiated by Russia when the hands of our people were full with the trouble in South Africa?

But there is a still greater danger to British interests from the monopoly for railway construction granted to Russia in Persia and to Germany in Mesopotamia. If a Russian railway is made from Teheran to Bunder Abbás, and a German railway from Baghdad to Koweyt, the mastery of the

Gulf will pass out of British hands. Neither of these two schemes can be carried out except with the consent of Great Britain, and a first condition of that consent should be that the Gulf sections of both railways should be constructed with British



capital and worked under British administration.¹ Great Britain has won her right to mastery in the Persian Gulf by long years of unselfish naval guardianship. At the cost of her people, and by

¹ When questioned in Parliament on December 19 last as to whether the Government had taken any steps to secure British control over the Killis to Baghdad, and Baghdad to Koweyt sections of the German railway, Sir Edward Grey's answer was in the negative.

the energy of her seamen, she has kept the door open to all the world, and that door must not now be closed against her. 'His Majesty's Government would regard the establishment of a naval base or of a fortified port in the Persian Gulf by any Power as a very grave menace to British interests, which we should resist with all the means at our disposal.' Lord Lansdowne's words contain an opportune declaration of policy, but they do not cover the whole field. If Koweyt and Bunder Abbás become the termini of German and Russian railways, a death-blow will be struck at our commercial supremacy in the Persian Gulf. England sends her warships to police the Gulf in order to protect her trade. If that trade goes, the fleet will go too. Then will the flank of our great Imperial trade route to the East be exposed to attack, and we shall awake to a situation full of grave difficulties, which may easily develop into one of grave peril.¹

¹ The following words contain the grave warning of Captain Mahan, an always friendly critic of British policy, in regard to the threatened situation in the Persian Gulf: 'Concession in the Persian Gulf, whether by positive formal arrangement or by simple neglect of the local commercial interests which now underlie political and military control, will imperil Great Britain's naval situation in the Farther East, her political position in India, her commercial interests in both, and the Imperial tie between herself and Australasia.' —*National Review*, September, 1902.

CHAPTER VIII

CEYLON : THE MODEL CROWN COLONY

‘ And we came to the Isle of Flowers ;
Their breath met us out on the seas ;
For the spring and the middle summer
Sat each on the lap of the breeze.’

No greater contrast can be conceived than the change from Aden, with its black, rock - girt harbour and endless stacks of coal, to Colombo, the seaport capital of Ceylon, where Nature has been as lavish with her gifts as she has been sparing at Aden. Did time and opportunity permit, it would be a pleasant task to describe the scenery and other characteristics of this beautiful island, which has so fascinating an interest alike for the florist, the sportsman, the geologist, and the antiquary. Such a task, however, is outside this volume, the scope of which has been limited by the terms of reference as indicated in the introductory chapter. What is rather wanted is to ascertain the strategical, commercial, and historical circumstances under which Ceylon became a

British dependency, the present use of the island for purposes of Imperial trade and defence, and what steps have been taken to turn to the best account this most valuable possession of our Colonial Empire.

England's first connection with Ceylon dates from 1782, when she was at war with both France and Holland, to whom Ceylon then belonged. India possesses no secure port south of Bombay on her west and Calcutta on her east coast, and the fine land-locked harbour of Trincomalee on the north-east shore of Ceylon became an important objective for the English and French Admirals, who were at the time contending for the mastery of the Indian Ocean. Admiral Hughes, the English naval commander in the East Indies, was the first to seize Trincomalee; but, being unable to garrison the harbour, it was wrested from him during the absence of his fleet at Madras by the French Admiral Suffren, who retained possession of the place till the end of the war, when in 1783 the peace of Versailles gave it back to Holland. In 1795, when Holland elected to throw in her lot with the French Revolutionary Government, Trincomalee was again seized by the British, and forthwith annexed, with the other Dutch possessions in Ceylon, to the Madras Presidency. In 1801 Ceylon was constituted a Crown Colony, being removed from Indian jurisdiction, and was retained by Great Britain at the peace of 1815 as part of her share of the spoils of the long maritime

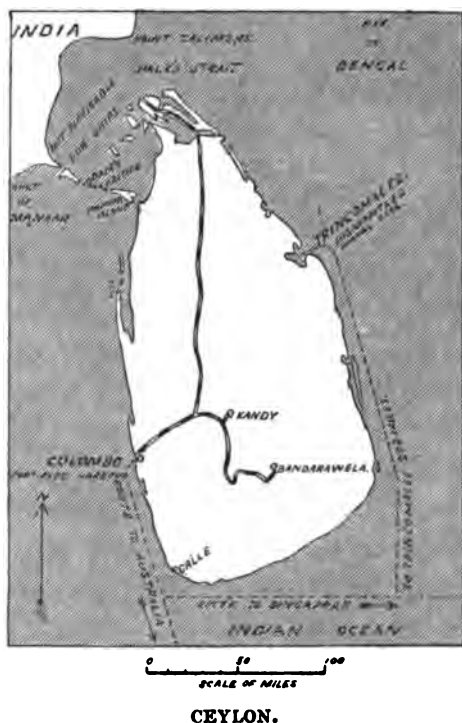


TRINCOMALEE HARBOUR
Lately abandoned by the Admiralty as a naval base

war throughout which she had been the leading belligerent Power. The subjugation of the interior districts of Ceylon was not effected till 1816, when the last of the Kandyan kings was defeated, and the whole island brought under British rule.

It was remarked in Chapter I. that the British people were traders first and fighters afterwards. The rapid rise of the commercial port of Colombo, and the corresponding decline of Trincomalee as a naval base and port of call, bear testimony to the truth of this statement. Thirty years ago Colombo was an open roadstead ; to-day it contains one of the largest artificial harbours in the world. More than 7,000 vessels were reported as having entered and cleared the harbour in 1904. Colombo's development is due to natural trade causes, which have created a demand for the gigantic harbour works, constructed at great cost and labour by the Government of Ceylon. When it is asked why Trincomalee, with its fine natural harbour, should have been abandoned for Colombo, which had no antecedent advantages as a seaport, the answer is clear. Trincomalee is situated on the north-east of Ceylon, 200 miles off the beaten track of vessels coming either from Australia or through the Straits of Malacca ; while Colombo is on the south-west coast of the island, right in the centre of the great trade routes which converge on the Suez Canal. By calling at Trincomalee instead of Colombo thirty-six to forty-eight hours would be lost by trading - vessels, which naturally make Colombo

their port of call for coal and supplies. Colombo, moreover, is close to the principal industrial and agricultural centres of Ceylon, and has for this reason become the outlet for its export trade, as well as the most convenient harbour for receiving



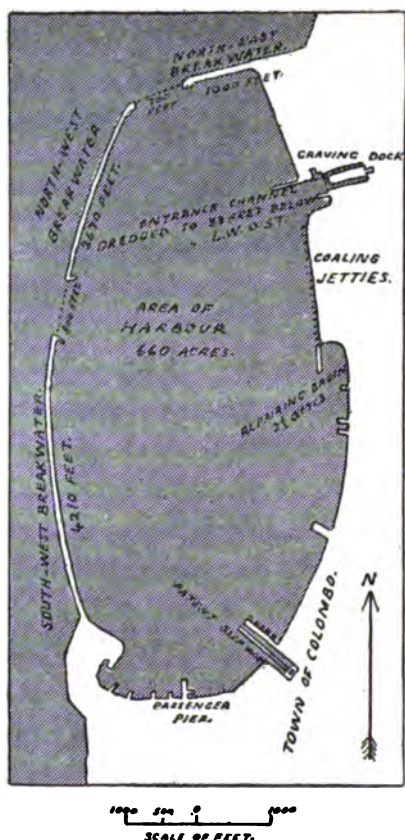
in return those imports upon which the exporting resources of the island depend for their development.

If it is true that trade follows the flag, the converse of this proposition is equally applicable. When Colombo was substituted for Trincomalee

as a port of commercial call, the latter place ceased to have any further naval significance, and early last year the Board of Admiralty finally decided to abandon the harbour. Naval and military officers were at first disposed to censure this decision, on the grounds that we ought to keep what we have got, and that the large sums of money spent by the Admiralty on the dockyard, and by the War Office on the defences, would be thrown away if the harbour were given up. The Board of Admiralty wisely refused to listen to uninstructed pressure of this kind. Circumstances have wholly changed since the acquisition of Trincomalee and the fortification of its harbour. Commercial expansion and naval protection are interdependent. Where we have no trade interest there is no call for exerting the combatant forces of our sea power. Commercially, and therefore strategically, Trincomalee is now *en l'air*, and its value as a naval base has disappeared. The dockyard establishments have been broken up and the defences dismantled, a saving of nearly £100,000 a year having been thereby effected in the combined budgets of the War Office and Admiralty. In future the warships of the Navy will coal and refit in Colombo Harbour alongside the merchant vessels which they have been built to protect.

Colombo Harbour has been constructed at the expense and under the direct supervision of the Ceylon Government. The foundation-stone of the famous south-west breakwater was laid by King

Edward when, as Prince of Wales, he visited India in 1875. This breakwater, which is 1,400 yards long, was completed in 1885 at a cost of £700,000 ; but before it was finished designs were prepared



COLOMBO HARBOUR.

for a further extension of the works, which were to include the construction of a north-east breakwater 880 yards long, and a detached island breakwater 900 yards long situated between the two others.





COLOMBO HARBOUR DURING THE SOUTH-WEST MONSOON

Reproduced by permission of Henry W. Carr, M.A.

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There are thus two entrances into Colombo Harbour, one 800 feet wide, between the detached and south-west breakwater, and the other 700 feet wide, between the detached and north-east breakwater; the total area of water enclosed being 660 acres. While the work was in progress it was arranged to construct a graving-dock 500 feet long, the cost of which, about £820,000, was to be borne in equal shares by the Admiralty and the Colonial Government. It was subsequently decided to increase the length of the dock to 700 feet, at a further cost of £28,700. The dock, which is 85 feet broad, and has a depth at high water of 32 feet, will, when finished at the end of this year, be larger than any of the docks at Bombay, Singapore, or Hong-Kong, none of which exceeds 500 feet. It will take the largest ship afloat in the Navy, not excluding the *Dreadnought*, and will accommodate any merchant steamer except those last built for the Atlantic line. The Ceylon Government is to be congratulated on having accomplished so stupendous an undertaking as the construction of Colombo Harbour involved, at a total cost of rather less than £2,500,000.

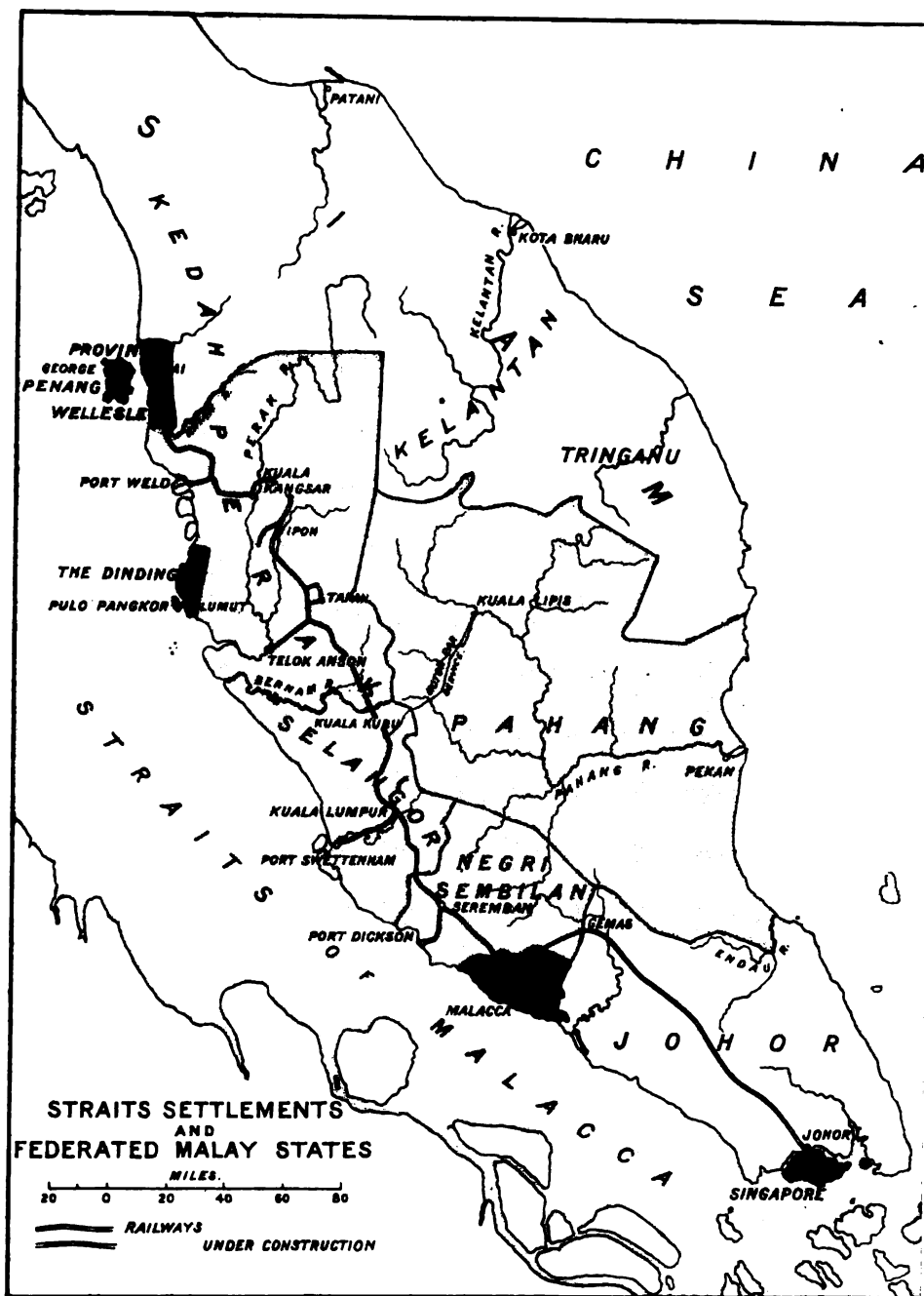
It may here be interesting to give a few facts indicative of the growing prosperity of the island under Crown Colony rule. A salient fact is the growth of the revenue, now amounting approximately to £2,100,000, which has increased more than 100 per cent. during the past fifteen years by regularly maintained leaps and bounds. Although

extensive public works have been undertaken by the Ceylon Government, including, besides the harbour works at Colombo, the construction of 560 miles of State railways, the public debt of the colony does not exceed £5,000,000, and under existing arrangements this will be entirely extinguished in the year 1948. The debt works out at about £1 8s. per head of population, as compared with £54 11s. in Australia, £68 10s. in New Zealand, and £18 11s. in Canada. The unexampled rise in revenue, with the constantly recurring surplus of receipts over expenditure, is doubtless due to the thrifty system of administration of the Ceylon Government, which bears favourable comparison with the speculative policy of the self-governing colonies, whose Governments are financially independent of Colonial Office control. The imports, approximating to £7,500,000 annually, are nearly balanced by the exports, the figures given to the writer showing that the trade of the colony has increased *pari passu* (nearly 100 per cent.) with the increase of revenue during the past fifteen years. What calls for special notice in regard to this increase is the rapid growth of Ceylon's foreign trade, which has increased about seven times as fast as the trade with the United Kingdom and sister colonies. As in England, so in Ceylon, this increase of foreign trade has taken place under the existing system of free imports, there being no Customs dues levied in Ceylon except for revenue purposes, and the general tariff

rate of duty not being higher than $5\frac{1}{2}$ per cent. *ad valorem*. Without going into further details, it may be said that an examination of available figures shows that the British producer has already been supplanted in regard to certain manufactured articles by foreigners, whose competition is being more and more severely felt every year. It is considered by most authorities on Ceylon trade that under a system of Imperial preference Ceylon would continue to find as open a market as at present in America and Europe for her increasing export trade in tea, cocoanut oil, and plumbago, while the bulk of the import trade would be retained by British producers. Ceylon at present exports to non-British countries about four times what she imports from the same sources.

It was a pleasure to visit Ceylon, and bear testimony as an eyewitness to the capacity of its Government and the commercial enterprise of both European and native populations. Ceylon is, perhaps, the most successful example yet produced of what is possible under a well-directed system of Crown Colony government. What strikes the visitor more than anything else is the contentment of the native population, now rapidly approaching 4,000,000, who are keenly alive to the benefits which they enjoy under the firm and sympathetic administration of their British rulers. In passing eastward, it is satisfactory to feel that British hold of this important colonial possession rests on the sure basis of increasing national prosperity ; and it

therefore only remains to express the hope that the Crown Colony system, which with all its theoretical faults was brought to so high a state of administrative perfection under the sympathetic régime of Mr. Chamberlain, may never again be prejudiced by ill-timed attempts to interfere with the responsibility of the local Governor and his Executive and Legislative Councils.



CHAPTER IX

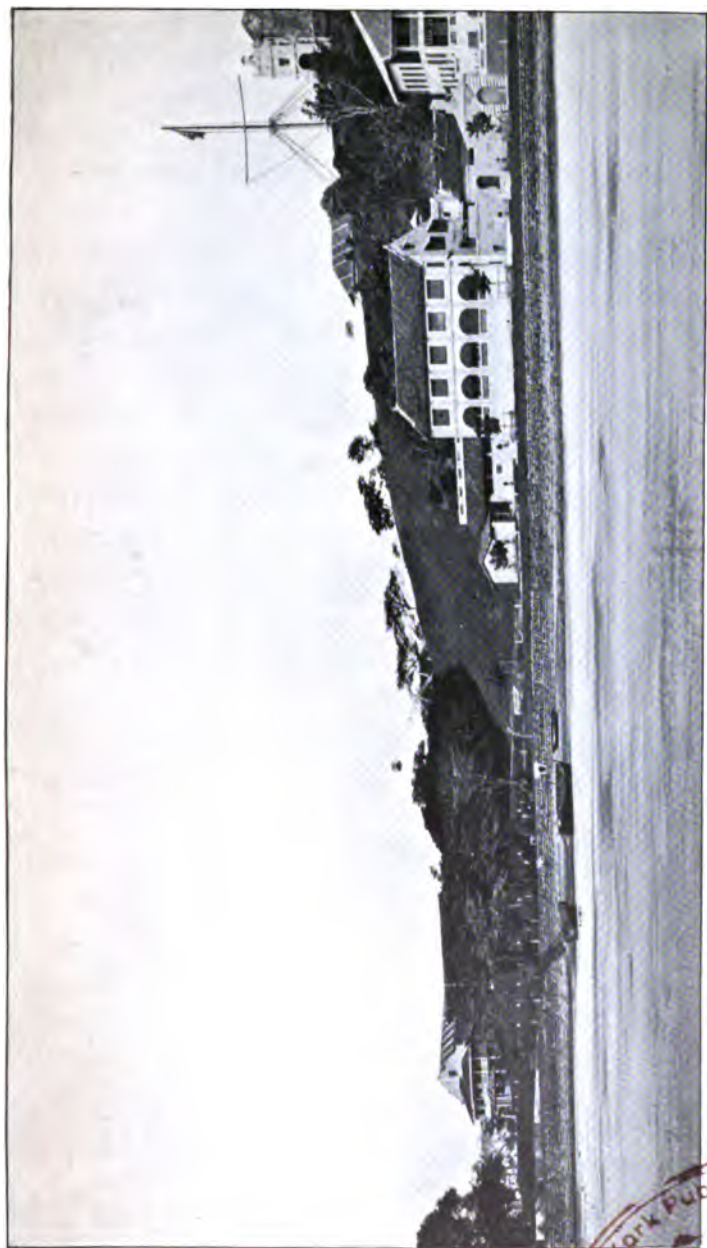
SINGAPORE, THE GATEWAY OF THE PACIFIC

SINGAPORE is the gateway into the Pacific Ocean ; but it is more than this. It is the strategical pivot round which radiate the three divisions of the Eastern Fleet—the East Indian, the China, and the Australia squadrons, which are based respectively on Bombay, Hong-Kong, and Sydney. In time of war Singapore will be the central rendezvous of these three squadrons for coaling, victualling, and refitting, as well as for offensive movement. It will be the purpose of this chapter to give some account of Singapore, the capital town of the Malay Peninsula, and see how far it is at present equipped for its rôle as a naval supply base, and what steps are being taken by the Imperial and local Colonial Governments to develop its strategic resources, and turn to the best use the dominating advantages of its unique geographical position.

The influence and territorial power of Great Britain in the Straits of Malacca are not confined to the island town of Singapore, but extend for upwards of 400 miles or more along the whole east

coast of the Straits as far as the island of Penang, otherwise known as Prince Edward's Island, which was purchased by the East India Company in 1786, and, with its important town and harbour of Georgetown, remained as the seat of government of the Straits Settlements till the government was transferred to Singapore in 1857. The whole of this coast-line is either the direct freehold property of Great Britain, or belongs nominally to one of the four federated Malay States, whose chiefs agreed in 1895 to constitute their countries a federation, to be administered under the advice of the British Government. From a military point of view the protected port of Singapore enjoys greater advantages than either Gibraltar or Aden, neither of which fortresses has any incorporated adjacent territory containing a friendly population able and willing to contribute supplies, and, if necessary, fighting-men for purposes of local defence. The native population of the Straits Settlements,¹ which, besides Singapore, include Malacca, the Dindings, Wellesley Province, and Penang, numbers roughly about 600,000, that of the Federated Malay States being nearly 800,000. In case of war the enemy would have to reckon with the hostility of all these people, the chiefs of the Federated States being

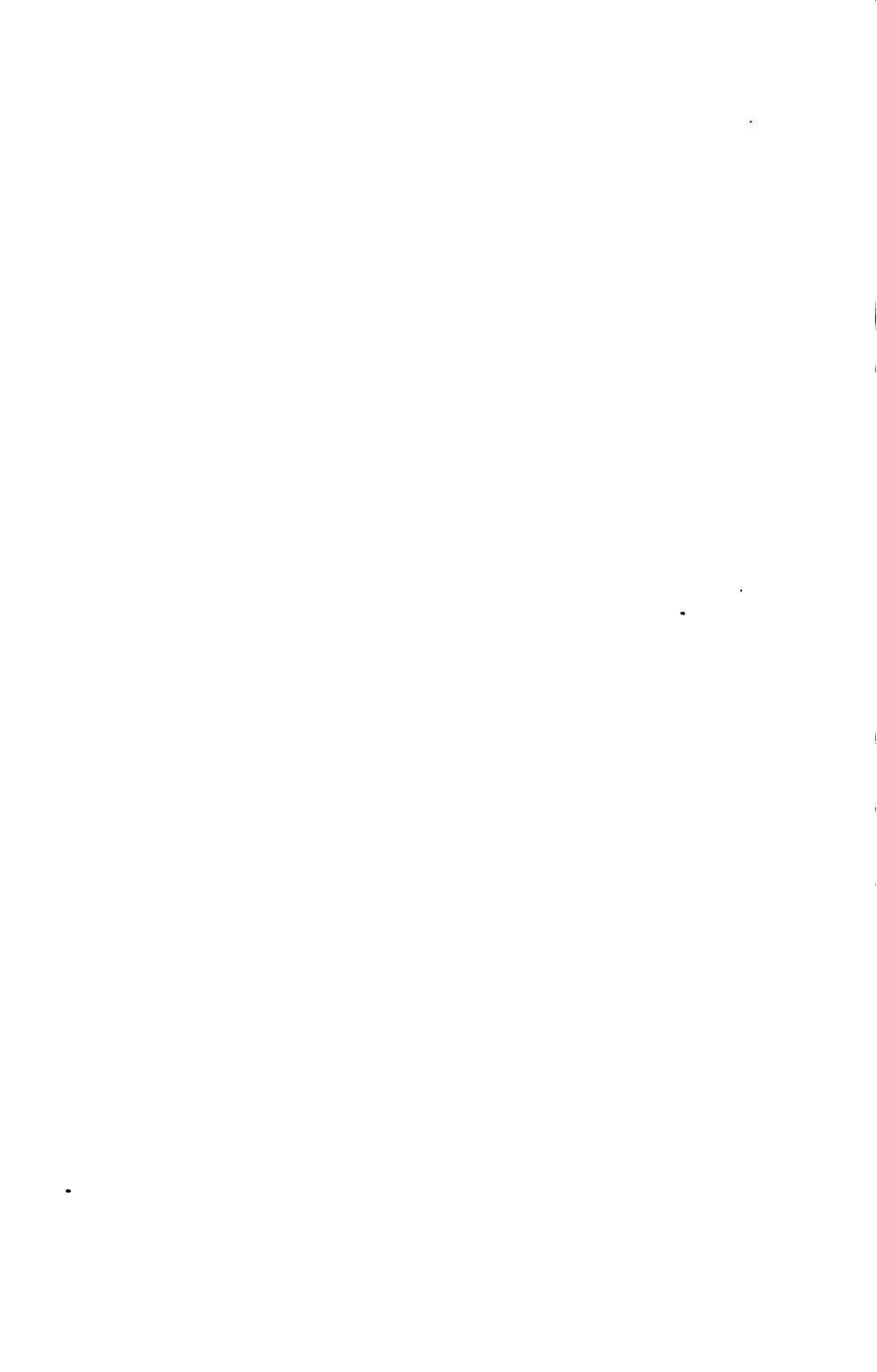
¹ The Cocos or Keeling Islands, annexed by Great Britain in 1857, were placed under the Government of the Straits Settlements in 1886, and Christmas Island, annexed in 1888, was placed under the same Government in 1889. On January 1, 1907, the island of Labuan was brought under the administrative jurisdiction of the Singapore Government.



THE STADT HOUSE, MALACCA

HISTORICAL NOTE.—Malacca was taken from the Dutch in 1795, restored in 1801, retaken in 1807, and again restored in 1818. It was finally ceded to Great Britain in 1824 in exchange for Bencoolen, on the West Coast of Sumatra. In 1811 Malacca was the rendezvous for the British Expedition which captured Java.





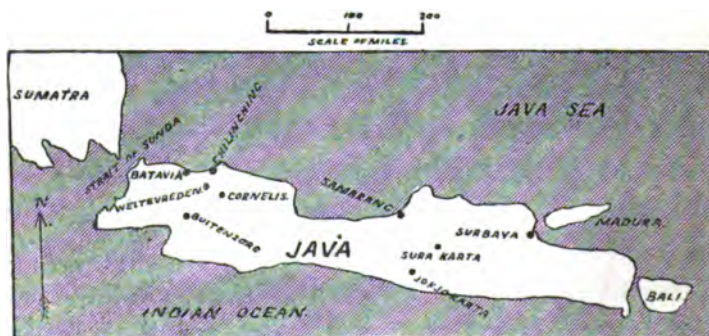
bound by treaty to support the British Government with contingents of armed men for the defence of the colony of the Straits Settlements.

Singapore is a striking example of the influence of commercial enterprise in building up the British Empire. It was occupied by Sir Stamford Raffles in 1819, not for military, but for trading purposes. Raffles was at that time Lieutenant-Governor of Bencoolen, the East India Company's settlement in Sumatra. Java, which had been fairly conquered from the Dutch in 1811 with a loss of 900 killed and wounded English soldiers and sailors, had with mistaken magnanimity been given back to Holland after the peace of 1815. No sooner were the Dutch back in Java than they sought to elbow the East India Company out of the Malay Archipelago, and secure the monopoly of its trade. Learning that the Dutch Governor of Java was about to seize Singapore, Raffles determined to forestall him by taking peaceful possession of the island under an agreement with the Rajah of Johor.

The acquisition of Singapore has justified all the hopes of Sir Stamford Raffles. From small beginnings the island gradually became the entrepôt for the whole trade of Siam, the Malay Peninsula, and the Malay Archipelago. Singapore now stands eighth on the list of the world's great ports. Exclusive of native craft, nearly 11,000 vessels, with a burden of more than 12,000,000 tons, entered and cleared the harbour in 1904. Over fifty lines of ocean-going steamers use Singapore as a port of call, the normal amount of coal stored on the

harbour wharves being 200,000 tons. The port is open to the world, no Customs duties being levied. What the Dutch attempted to do by a policy of exclusion the British have accomplished through the Open Door and by an unrestricted system of immigration.

The Government of the Straits Settlements reflects the vices as well as the advantages of the



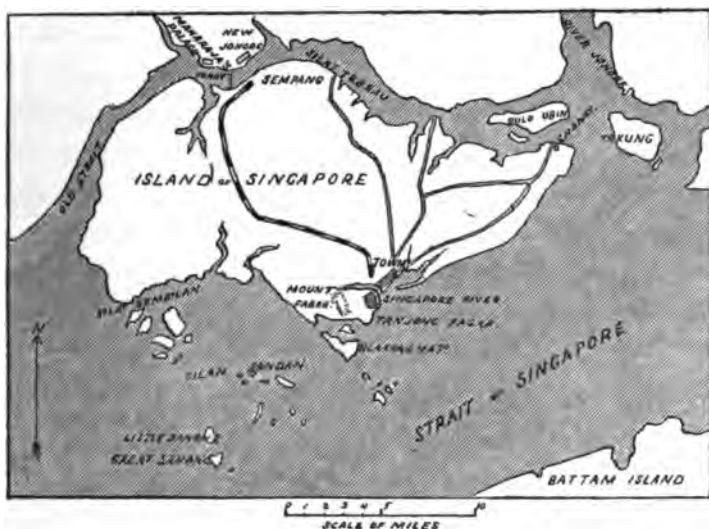
JAVA ISLAND.

HISTORICAL NOTES.

The British Expedition, 11,000 strong, commanded by General Achmuty, landed at Chilingching on August 4, 1811. Batavia was occupied on the 9th. The Franco-Dutch army, 17,000 strong, under General Janssens, was strongly entrenched at Cornelis with an advanced position at Weltevreden. After capturing Weltevreden, Achmuty defeated Janssens at Cornelis on August 25, the enemy's loss being 4,000 killed and wounded, with 6,000 prisoners. Janssens fled to Samarang, where he surrendered on September 18. Surbaya subsequently fell to the British. On September 11 Lord Minto, Governor-General of India, who had accompanied the force, annexed Java to the British Crown, appointing as Lieutenant-Governor Sir Stamford Raffles, who remained in office till the island was handed back to the Dutch under the Treaty of Vienna on August 16, 1816.

Crown Colony system. Subject to the distant control of the Colonial Secretary in Downing Street, the Governor is a local autocrat. He is

assisted by an Executive Council of eight members, who are the principal officers of the administration. Being his subordinates, not his colleagues, these officers carry on their duties under the Governor's orders. Then there is a so-called Legislative Council, composed of these eight official members of the Executive Council and seven



SINGAPORE ISLAND.

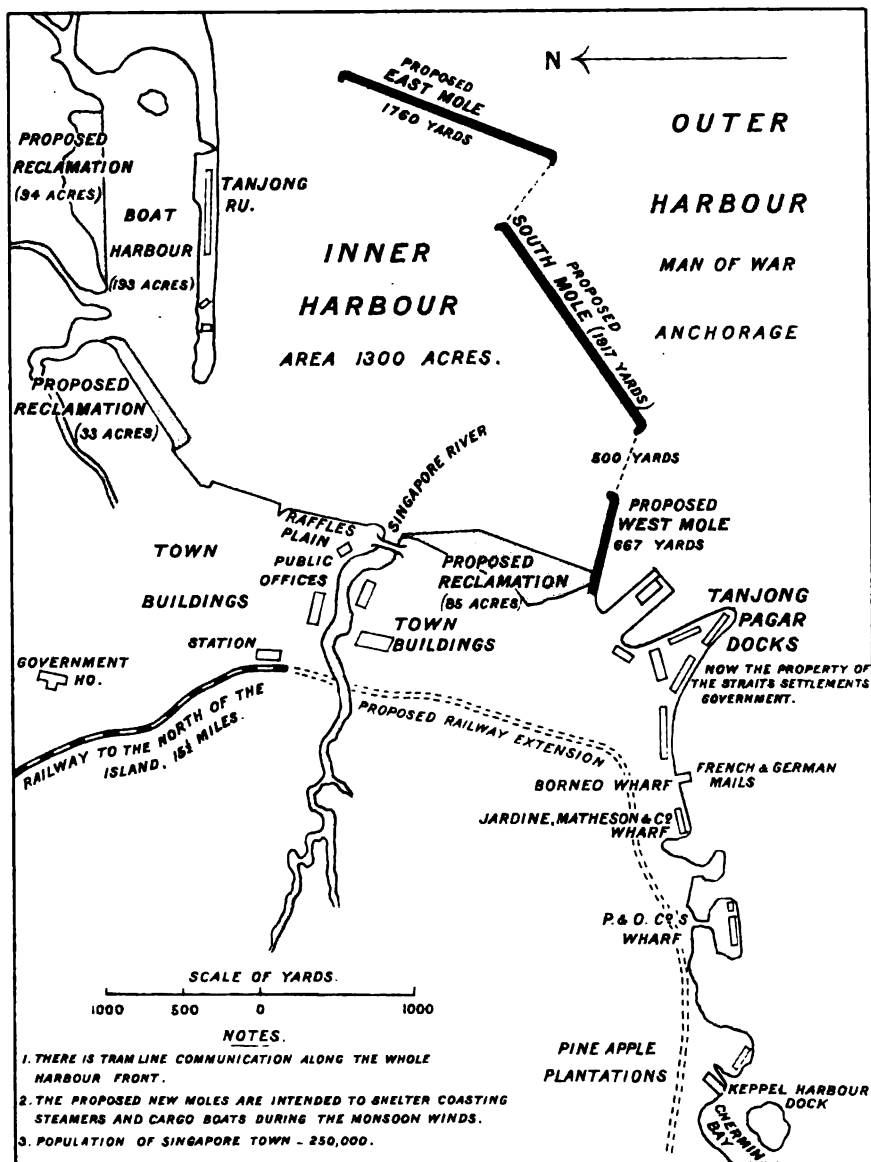
unofficial members, of whom two are nominated by the Chambers of Commerce of Singapore and Penang, and the remaining five by the Governor. The Legislative Council debates and passes all measures submitted to it, but has no power of initiating legislation. The unofficial members are always in a minority, the official members being necessarily compelled to vote with the Governor.

Packed in this way, and presided over by a strong Governor, the Council has only nominal functions as a legislative assembly, its duties being confined to advising the Governor in regard to the measures which he intends to pass.

Under such a system public opinion is stifled, being helpless to assert its influence on the government of the colony. Nothing struck the writer more forcibly during his visit to Singapore than the ignorance and apathy of the British unofficial community in regard to questions of public interest. While individual opinions were freely expressed, these were wholly uninstructed by a collective sense of political responsibility. Bankers and merchants alike limit their energies to the business of their calling, and leave public affairs to the ruling authorities. It is not suggested that any other form of government than the Crown Colony system is possible in a tropical dependency, where a handful of British traders are living in the midst of an overwhelming native population. The absolute government of a benevolent autocrat is perhaps better than the self-government of a commercial oligarchy¹; yet oftentimes must the Englishman whose fate takes him to a Crown dependency, in the interludes of business hours sigh for the freedom of the self-governing colony, where the Governor is the servant, not the master, of the

¹ Such a Government has grown up in the international settlement of Shanghai, with the ineffective results which will be subjected to the criticism of a future chapter.

OUTLINE PLAN
OF
SINGAPORE
SHOWING THE PROPOSED HARBOUR IMPROVEMENTS.



community, and where, for good or for evil, the destinies of the colony are self-directed by the representatives of a responsible electorate.

Had the government of the Straits Settlements been in the hands of the British trading community at Singapore, the expropriation of the Tanjong Pagar Dock Company would not have been accomplished; the vested interests of the local and home shareholders would have been strong enough to have prevented the property passing out of their private control. Yet there can be no doubt of the wisdom of the purchase, which has just been effected by compulsory legislation of the local government. The Tanjong Pagar Dock Company has made a bad use of a monopoly of which it ought long ago to have been deprived. Compared with the harbour works of Colombo, those at Singapore present a mean, slatternly, uncared-for appearance—rotten wood piers mostly falling to pieces, wharves run out anywhere and patched up anyhow, no systematic means of dredging, no facilities for rapid coaling, no effort made to utilize engineering science for the purpose of necessary improvements. As soon as the award¹ of the arbitrators—now daily ex-

¹ Since this chapter was written the award of the umpire, Lord St. Aldwyn, has been published, the Straits Settlements Government having to pay about £3,819,000 to the Dock Company as the price of expropriation, in addition to the expenses of the arbitration. The tactics of the Colonial Office in assenting to arbitration when it was known that the gold price of the silver dollar was about to

pected—is made known, fixing the amount to be paid by the Government for acquiring the property, extensive improvements will be forthwith taken in hand. Under a scheme drawn up by Messrs. Coode and Mathews it is proposed to enclose about 1,800 acres of water as an inner harbour for sheltering the ‘mosquito fleet’ of small craft which frequent the port in large numbers throughout the year. This scheme involves the construction of three moles, giving a total breakwater length of more than 4,000 yards. Pending the realization of this big proposal, the Government have just accepted the tender of Sir John Jackson, the engineer of the Plymouth docks, for the initial construction of a west mole, 660 yards long, at a cost of £1,080,698. The funds for buying out the Dock Company and for contemplated new construction will be provided by loan ; but the colony

be raised 15 per cent. are severely criticised by Sir Frank Swettenham in his recently published book, ‘British Malaya.’ The result has been that the Colony has to pay about £1,750,000 more than would have been the case had the matter been settled by amicable agreement before the gold standard of the dollar was fixed. The Government of the Straits Settlements must now raise a loan of £6,000,000, about which there need be no anxiety, but the bad bargain made shows up the weak points of Crown Colony government under Downing Street direction, and justifies the criticism to which the system has been subjected in this chapter. A Finance Minister responsible to an elected Chamber could not have held office for a single hour after the loss incurred by such a transaction had been brought to light.

has no debt at present, and, with a rising revenue, is well able to undertake a charge which has been too long left to private mismanagement. It is only a matter of regret that the Government and the Company could not come to terms without resorting to an Arbitration Court, the proceedings of which were hurriedly rushed through at Singapore owing to the imminence of the General Election, which will cost the colony at least £60,000 before the accounts are finally settled.¹

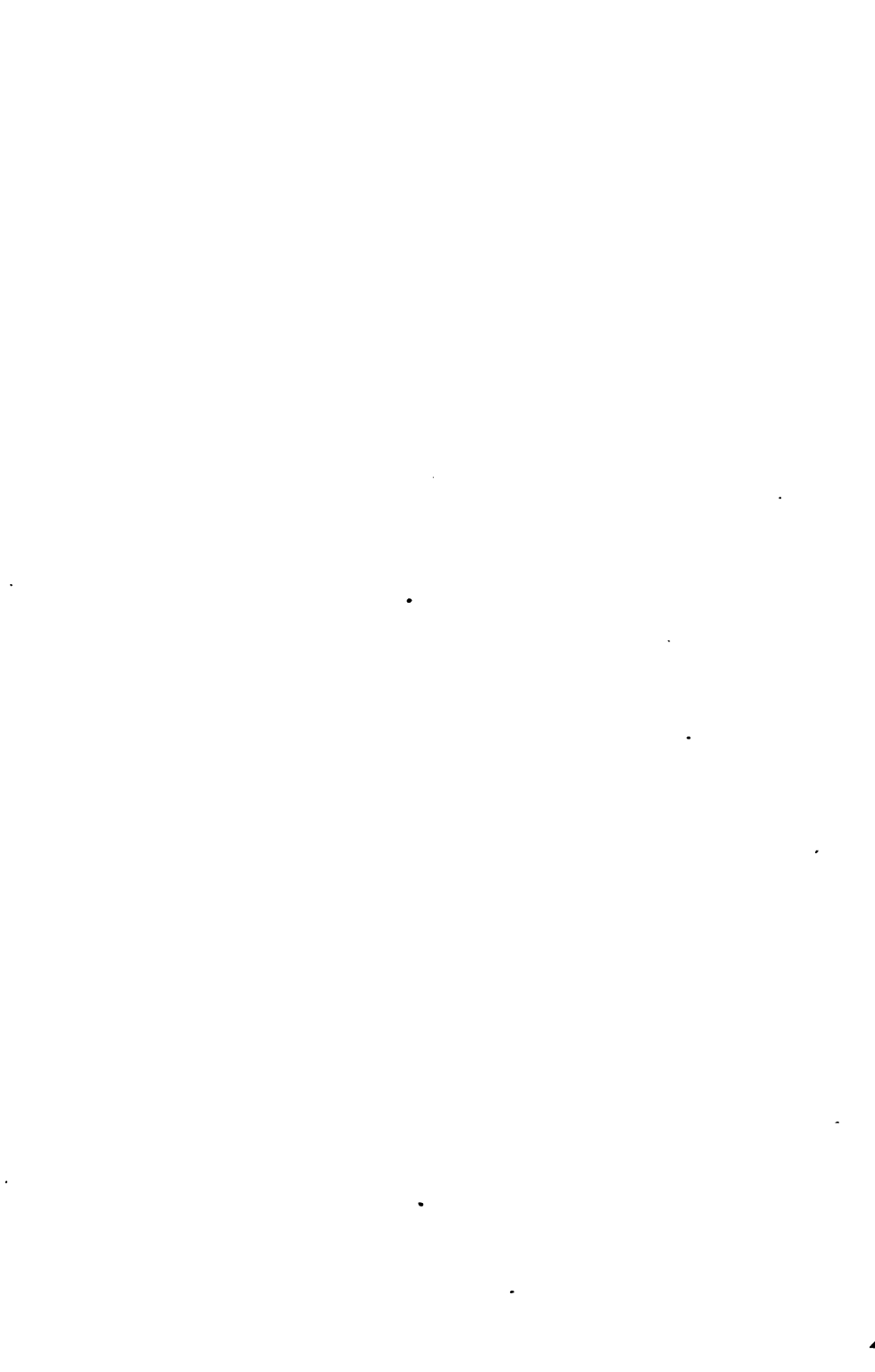
The revenue of the Straits Settlements contributes nearly £200,000 a year to military defence, which is provided for by a battalion of British infantry, another of native Indian infantry, two companies of British Garrison Artillery, one company of the Hong-Kong Singapore battalion of Garrison Artillery, and half a company of Royal Engineers. There are, in addition to these regular troops, volunteer corps, chiefly composed of Eurasians, at both Singapore and Penang. It has been suggested that the harbour defences of Singapore, which are very complete, and are armed with the best types of modern guns, might be handed over

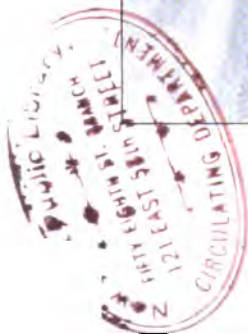
¹ In answer to a question in the House of Commons on November 28 last, Mr. Churchill stated that the 'cost of the arbitration would be largely in excess of £40,000.' The figures given in the text (£60,000) were supplied by a leading member of the Singapore community as a probable estimate; but up to the date of this volume being passed for the press the accounts of the arbitration have not been completed. Lord St. Aldwyn's fee alone was £5,750.

to the navy and manned by marine artillerymen. Were the harbour defences alone concerned, this would be practicable, but, with a native population of nearly 800,000 Chinese and 220,000 Malays, with less than 6,000 Europeans in the whole of the Straits Settlements, the interests of law and order require the presence of an armed force, which is maintained at a minimum numerical strength consistent with security.

It is not possible to close this chapter without paying a tribute of recognition to the admirable work¹ done by Sir Andrew Clarke when he was Governor of the Straits Settlements during the years 1873-1875, and upon whose shoulders the mantle of Sir Stamford Raffles so fittingly fell, for it was he who laid the foundations of that policy which eventually brought the independent Native States of the Malay Peninsula into the fold of a British protectorate. Under the masterful sway of Sir Frank Swettenham the work thus happily begun by Sir Andrew Clarke was supplemented, completed, and finally consolidated, with the best of present results and future prospects. The financial prosperity of the States has increased with phenomenal rapidity, the annual revenue, which now amounts to £2,000,000, having been trebled

¹ In the preface which he wrote for Colonel Vetch's 'Life and Letters of Sir Andrew Clarke,' Sir George Sydenham Clarke, an intimate friend of his distinguished namesake, states that in the closing years of Sir Andrew's life the recollections of his work in the Straits Settlements gave him more satisfaction than any other.





TIN-SMELTING WORKS AT SINGAPORE

From a photograph by T. M. Grundy, Esq.

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during the past ten years. A trunk line of Government railway runs along the whole length of the States from Wellesley Province to Malacca, with small branch lines leading to the coast at Ports Dickson, Swettenham, Weld, and Teluk Anson. Malacca will shortly be connected with Singapore by a line through the State of Johor. Although there has been a recent boom in rubber plantations, tin is the chief product of the Malay States, which provides the markets of the world with three-quarters of their supply. One of Sir Frank Swettenham's last acts at the Straits was to impose a prohibitive export duty on the raw material, thus saving from financial ruin the Singapore tin-smelters, who were threatened with extinction by a powerful syndicate in America. Sir Frank Swettenham graduated as a cadet in the Straits Settlements Civil Service in 1870, and rose by sheer force of his dominating personality to the highest point in the colony, being appointed in 1901 Governor of the Straits Settlements and High Commissioner of the Federated Malay States. Had he not been compelled by ill-health to retire prematurely from his post, he would have had the satisfaction of superintending the execution of the many useful schemes which he had initiated, and which are now being carried out by the present able Governor, Sir John Anderson, with a tact and soundness of judgment which are recognised alike by Europeans and natives throughout the length and breadth of the Malay Peninsula.

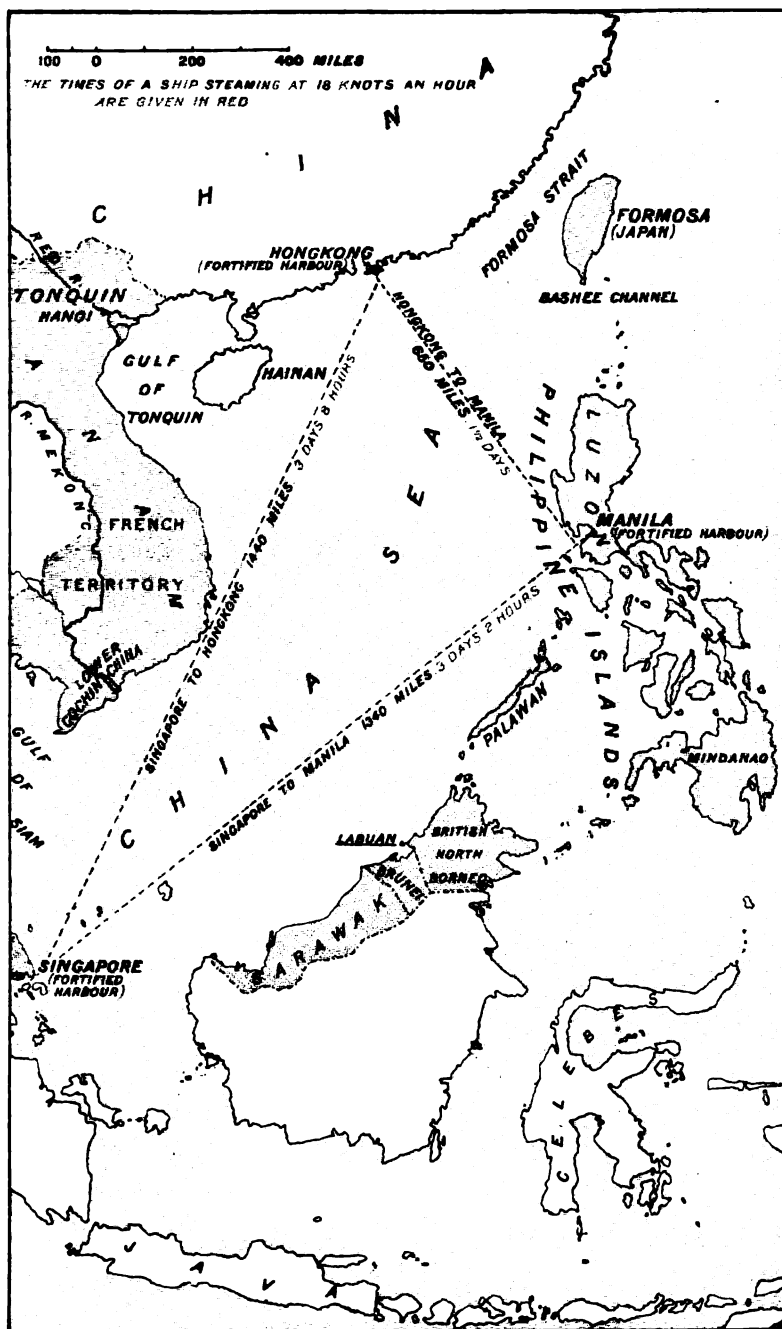
CHAPTER X

HONG-KONG THE BIGGEST PORT IN THE WORLD

JUST as Singapore guards the south entrance into the China Sea, so does Hong-Kong, 1,500 miles away, guard the north. On the south the entrance is through the Straits of Malacca, on the north through the Straits of Formosa. Had Great Britain, according to the usual custom of war, retained possession of Manila, which she had conquered in 1762, instead of giving it back to Spain at the end of the Seven Years' War, her hold of the China Sea would have been as firm to-day as is her hold of the Mediterranean. As the situation now stands, the acquisition of the Philippine Islands in 1898 gives America a fortified naval base on the flank of the British line of communications between Singapore and Hong-Kong. Based on Manila, and given the possession of sufficient naval force, an American admiral can strike right or left, compelling his opponents to fight where it best suits his own purposes. England and America are fortunate in being on terms of complete international amity; but none the less has the conquest of the Philippine

SINGAPORE-HONGKONG-MANILA

SKETCH SHOWING THE DOMINATING POSITION OF MANILA
IN THE CHINA SEA.



Islands by the United States profoundly modified the strategical conditions as they existed in the Pacific when the islands belonged to a weak naval Power like Spain.

Although Great Britain has at present no battleships in the Eastern Fleet, the numerical preponderance of naval strength remains in her hands. The China squadron, with headquarters at Hong-Kong, has seven cruisers and thirteen destroyers, besides thirteen smaller vessels. This squadron could be reinforced in ten to twelve days by the East Indian and Australian squadrons, which have twelve cruisers between them, giving a combined force of nineteen cruisers on an emergency. The strength of the American fleet is three battleships, three cruisers, and five destroyers; of the French fleet, one battleship and six cruisers; and of the German fleet, one battleship and one cruiser. So that, with or without the help of the Japanese Navy, the combined China, East Indian, and Australian squadrons could bring into line a sufficient force of fairly powerful cruisers to contend with any likely combination of naval force which could be immediately brought into China waters. It is, however, to be hoped that the China station will not be left for long without one or more battleships. Apart from the moral effect which the presence of British battleships creates wherever they are seen, cruisers, however fast and powerful, can never compete as regards armament with battleships; and as the fleets of the four great Powers mentioned are at

present constituted, a sudden and unexpected combination of hostile naval strength might find British cruisers, which are mostly armed only with 6-inch guns, opposed to battleships with an armament twice as powerful. This matter has, of course, been fully considered by the Board of Admiralty; but it is right to report that the sudden withdrawal of all the battleships from the China squadron at the end of 1905 is the subject of general criticism along the whole line of communication with the Far East.

Trade has certainly followed the flag at Hong-Kong. Before the British ensign was hoisted in 1840 on Possession Point, in the centre of what is now the city of Victoria, the island existed in name only, there being no resident population beyond a few fishermen. To-day, as far as shipping is concerned, Hong-Kong has become the biggest port of the world. During 1904 no fewer than 114,185 ships, of 24,648,258 tonnage, entered and cleared the harbour. It is exceedingly difficult to compare the shipping statistics of different ports, but the above figures do not appear to be surpassed by those of any other port of the world, not even London being excepted. Without pushing the comparison further, the figures quoted are in any case sufficient to indicate the enormous extent of the trade which passes in and out of this great Eastern harbour.

The title-deeds of this great British stronghold are unfortunately of bad origin. The acquisition

of Hong-Kong will always be associated with the Opium War of 1840—a dark chapter in the history of the British Empire. No more unjustifiable war has ever been waged by a civilized nation. Cupidity was its cause, and cupidity of a demoralizing nature.¹ The war can only be described as a successful piratical attempt to force an illicit traffic in a contraband and noxious drug on an unwilling people.² The specious array of arguments which were used at the time to justify the coercion of the Chinese cannot remove the facts as they occurred. Ever since the Opium War British influence has been waning in the Far East. When Germany seized Kiao-Chau and Russia Port Arthur, England was silent, not from material weakness, but owing to her moral inability to assert her power. Her hands were tied behind her back, and, in spite of her naval supremacy, she dared not go into court to face cross-examination of her past conduct. ‘There are few countries,’ said Mr. Morley in a recent speech³ in Parliament, ‘whose relations

¹ ‘The opium traffic was the great cause that produced the disturbances which led to the war.’—Extract from a despatch of Sir H. Pottinger, British Minister in China.

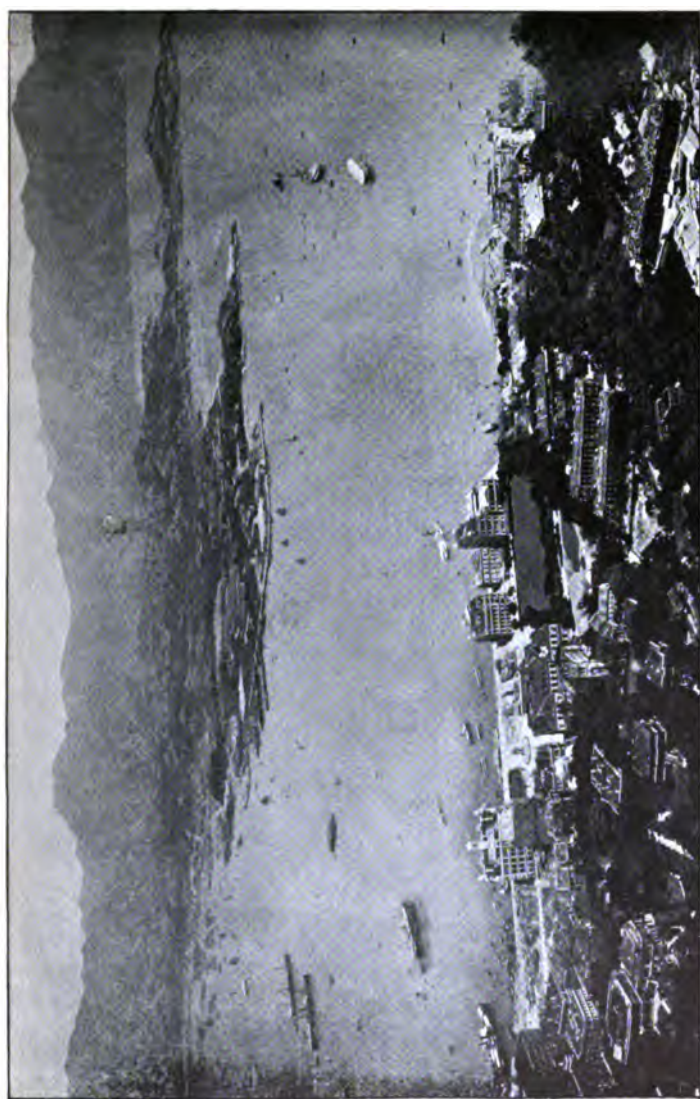
² When, after the Treaty of Nankin had been signed, the British representative was instructed by Lord Palmerston to urge the Chinese Government to legalize the importation of opium, and thereby raise revenue by means of a Customs duty, the Emperor Tao Kwang refused the proposal in these words: ‘Nothing will induce me to derive a revenue from the vice and misery of my people.’

³ Debate in the House of Commons, May 30, 1906.

with ourselves we could regard with less pride than our relations with China.' It would be nearer the truth to say that no country has ever behaved towards another with such deplorable disregard for the first of those rules of conduct which the sage Confucius has left behind him for the guidance of his countrymen: 'Do not to others what you would not that they should do to you.'

Hong-Kong is an island stretching nearly east and west, eleven miles long by two to five broad, containing about twenty-nine square miles of ground, which rises all round from the shores to an irregularly peaked ridgeway running along the whole length of the island. The town of Victoria is built on the north side of the island, the houses being placed in terraced tiers, one above the other, reaching sometimes up to the top of the ridgeway. The harbour, which is practically landlocked, lies between the north side of the island and the mainland. It is divided into two parts by the peninsula of Kowloon, which, jutting out to the south, leaves a channel about 800 yards wide between it and the north shore of Hong-Kong Island.

Hong-Kong Harbour, which is one of the largest, and perhaps the most beautiful, harbours of the world, is safe from any attack coming by sea. It is not desirable to refer to local fortifications except in general terms, but it may be stated that there are two entrances into the harbour, by a western and an eastern channel. It is usual for ships to enter the harbour by one channel and leave by



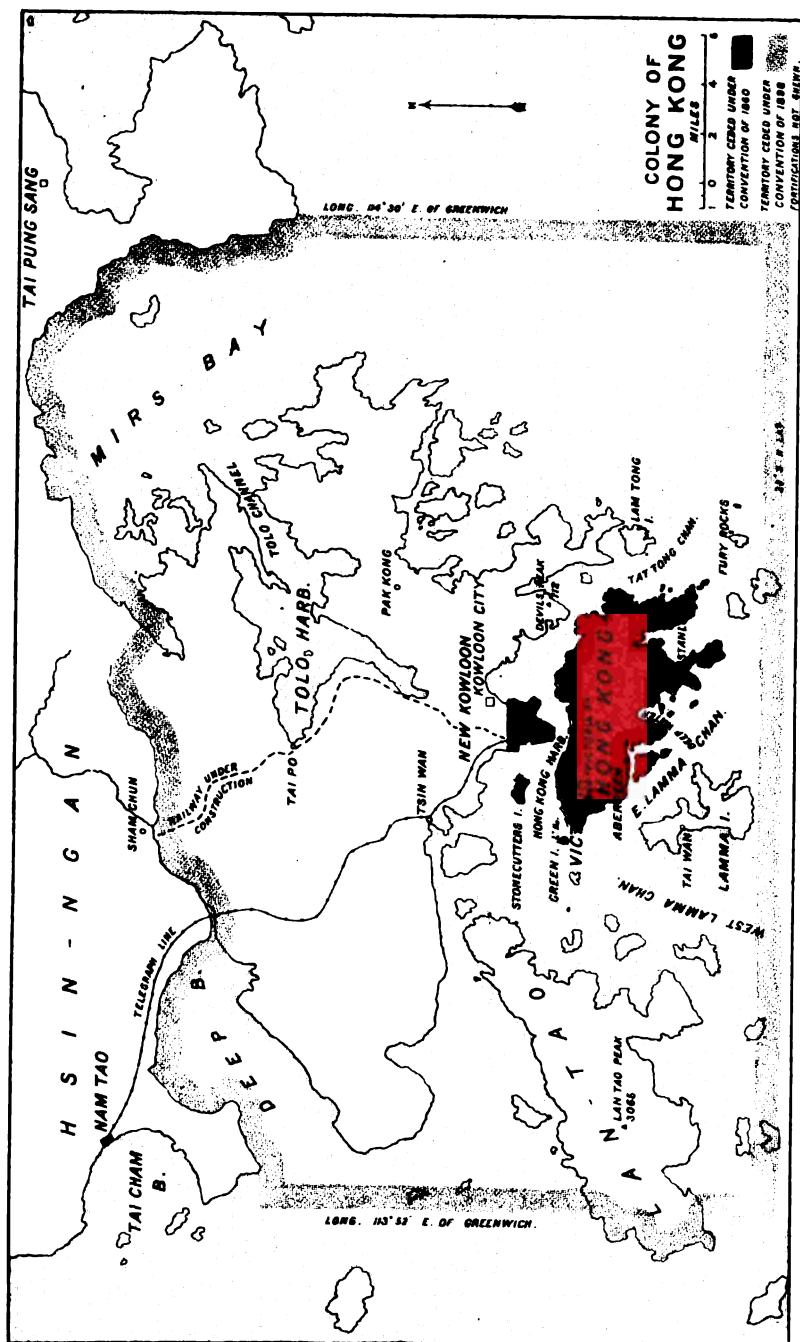
HONG KONG HARBOUR
From Victoria town looking towards Kowloon

the other. Both entrances, as can be seen by any ship's passenger, are most powerfully fortified. It is satisfactory to know that the forts are armed with the best guns obtainable, and are manned by a superb force of British artillerymen. The land defence is another matter. The new British frontier, extending from Mirs Bay on the east to Deep Bay on the west, measures eleven miles—a considerable front to hold with the limited force available at Hong-Kong. No useful purpose, however, will be gained by discussing a question which is being thoroughly considered by the local military authorities. The present Governor is a Royal Engineer officer, who, as former secretary of the Colonial Defence Committee, acquired a wide expert knowledge of the defensive requirements of our coaling stations abroad. He combines with a varied experience of administrative work that of active military service acquired both in Egypt and India. *Uterque bonus pacis bellique minister*. An eminent but somewhat officious globe-trotter, who was recently on a visit to Hong-Kong, is reported to have attempted to force a declaration of opinion from Sir Matthew Nathan by suggesting the capabilities for attack which the new frontier afforded to an enterprising enemy. 'A frontier which is capable of attack is equally capable of defence,' was His Excellency's quiet but confident rejoinder.

Hong-Kong Harbour is admirably equipped as a commercial and naval base. A large extension of

the Admiralty yard, including the construction of a new dock and a reclamation of the foreshore to provide more room for machine-sheds and fitting-shops, is now in progress at a cost of £1,500,000. Chief among private dock companies is the Hong-Kong and Whampon Dock Company, which has been as enterprising as the Tanjong Pagar Company has been backward in carrying out improvements at Singapore. The company has three separate dock establishments at Hong-Kong, one being at Aberdeen, on the south side of the island, and another at Hungham, on the Kowloon side of the harbour, where there is a long front of wharf room, with three granite-built docks and two patent slips. The largest of these docks is 576 feet long, 86 feet broad, and has a depth of 80 feet at high tide. The dock establishments at Hungham well repay a visit, and give an idea of the huge shipping industry which is carried on at Hong-Kong.

The 'New Territory' north of Kowloon is being gradually developed by the Hong-Kong Government. Some delay has occurred in the process of this development owing to political causes, upon which the following brief sketch may perhaps throw light. Soon after the acquisition of the 'New Territory' in 1898, during the 'mailed fist' period of China's history, a concession was obtained by Great Britain for the construction of a railway from Kowloon to Canton. A similar concession had been granted to an American Company in 1898, for the trunk line from Canton to Hankow,



London, John Murray.



CANTON

British settlement on the right, Chinese city on the left

From a photograph by T. M. Granahan, E. 9.

and as this country had chosen to associate itself with the ill-omened policy of international scramble, which was then fashionable in Europe, British interests had to be pushed in competition with those of the other interested Powers. Then came the Boxer insurrection of 1900, which marked the revolt of China against the selfish greed of foreign competition. The Boxer troubles led to the awakening of China to the motives of the Powers, and also to the awakening of the Powers to the causes of the insurrection. With the re-establishment of order there followed a repudiation of the 'mailed fist' policy, and a return to the honest principles of the Open Door. Thus it happened that when the Chinese determined to make their own railways and administer them for the benefit of the Chinese revenue, instead of for the enrichment of foreign syndicates, there was all-round acquiescence among the Powers. Honourably to himself, President Roosevelt was the first to support the efforts of the Chinese Government. In August, 1905, the concession held by an American Company for the Canton-Hankow line was cancelled, and in return for a sum of £1,350,000 the Chinese Government resumed full ownership of the 21-mile section of the line already built, together with unrestricted prospective rights for further construction. Negotiations were at the same time opened with the British Government for the abrogation of the Canton-Kowloon railway concession. These negotiations have recently ended in an agreement which

was signed on November 11 last, between the representatives of China and of the British and Chinese Corporation. Under the terms of this agreement the section of the railway from Kowloon to the frontier of the 'New Territory' will be completed by the Hong-Kong Government, while the continuation of the line from the British frontier to Canton (102 miles) is to be undertaken by the Chinese Government. The agreement provides for a loan of £1,500,000, bearing interest at 5 per cent. for construction expenses, the loan being guaranteed by the Chinese Government, and secured on the railway. The Governor of Hong-Kong is to be congratulated on the skill with which he has negotiated a settlement which preserves all legitimate British interests, and at the same time saves the 'face' of China.

There are upwards of 10,000 European civilians living at Hong-Kong and Kowloon among a Chinese population of nearly 850,000, over 200,000 of whom are crowded into the town of Victoria. The strength of the military garrison is 4,850, and the average number of naval officers and men stationed at Hong-Kong is about the same. According to the census of 1901 the New Territory, which was acquired in 1898, contained a Chinese population of 85,000, giving a grand total of 450,000 as the estimated white and yellow population of the whole dependency.

Nothing impresses the visitor to Hong-Kong more than the manner in which this enormous

Chinese population is living on terms of political equality with the European colonial community. There is only one law for both white and yellow men. Whether trader or labourer, the Hong-Kong Chinaman is an industrious, thrifty, law-abiding citizen. As a shopkeeper he is both business-like and fair-minded, not from principle, but because it pays him to be so. The Chinese labourer is the best of all tropical labourers, and in some respects the best in the world. While the Kaffir, the Cingalese, and the Malay will not work at any price unless obliged to do so, the Chinaman will work for hire at all times, and under all circumstances; and he gives the best value for the wage which he is paid.

Christianity has as yet made no appreciable inroad among the Chinese people. There are not enough workers in the Christian cause. 'The harvest truly is plenteous, but the labourers are few.' Some devoted converts are here and there to be found, but as a nation the Chinese show no wish to come under Christian influence. Conservative by instinct, the Chinaman obstinately refuses to surrender his heathen individuality, and be moulded on a Christian model. He is selfish and feelingless. Reserved by nature, untruthful by habit, inscrutable by character, he lives among Englishmen without social assimilation; getting all, giving nothing, going the way which he has followed for so many thousand years with self-complacent regard for his own interest and stolid indifference

for all other considerations of present or future life.

Here the question may be asked whether England is in any way responsible for the present condition of international relations? Why is it that the Chinese, fearing both Japanese and English, respect the one and despise the other? Why are they waiting their opportunity to rise against the 'foreign devils'? Are we quite sure that the cause is not of our making, and the remedy not in our own hands? While staying at Shanghai, the writer asked a Chinese gentleman if he thought his countrymen were sincere in their condemnation of opium-smoking. His answer was as follows: 'After corrupting Faust, Mephistopheles¹

¹ Read alongside of the following quotation from Lord Palmerston's despatch to Sir H. Pottinger when the Nanking Treaty negotiations were being carried on, the criticism of the Chinese gentleman can hardly be described as exaggerated:

'You will point out that it is scarcely possible that a permanent good understanding can be maintained between the two countries if the opium trade be allowed to remain on its present footing. It is evident that no exertions of the Chinese Government can put down the trade on the Chinese coast. It is equally clear that it is wholly out of the power of the British Government to prevent opium from being carried to China. It would seem, therefore, that much additional stability would be given to the friendly relations between the two countries if the Government of China would make up its mind to legalize the importation of opium upon payment of a duty sufficiently moderate to remove temptation to smuggling. By this means a considerable increase of revenue would accrue to China.'

has no right to judge his actions. Let the British Government set us heathen Chinese the example of sincerity by abolishing the opium traffic with India. Until this is done we shall always regard Article VIII.¹ of the Treaty of Tien-tsin as a piece of blasphemous hypocrisy.'

Impreguably fortified, admirably governed, commercially prosperous, the fortress colony of Hong-Kong is a proud and formidable support to the sea power of Great Britain in Far Eastern waters. Its future is as hopeful as its past record has been prosperous. The keynote to that prosperity is faithful adherence to the policy of the Open Door as a cardinal principle of the British commercial creed. The rejection of that principle is bringing economic failure to the French in Indo-China, and to the Germans in Shantung. With all its theoretical faults, Crown Colony government is a practical success at Hong-Kong, because it is strong, and because through its strength it is just and free.

But more than this is wanted. Great Britain has put down the slave trade in the Middle East. Is it too much to hope that she will suppress the opium traffic in the Far East?² From her com-

¹ The following is the extract referred to from Article VIII. of the Treaty of Tien-tsin :

'The Christian religion as professed by Protestants or Roman Catholics, inculcates the practice of virtue, and teaches man to do as he would be done by.'

² The Government of India has unfortunately only regarded the opium question from the standpoint of revenue. Thus Sir George Campbell, speaking as an ex-Indian statesman in

manding position at Hong-Kong she can do this if she will. The Chinese Government has at last moved in this matter, with a sincerity to which Dr. Morrison, the Peking correspondent of the *Times*, bears his reliable testimony. The Imperial Edict issued on September 20 last abolishing opium-smoking in China within a period of ten years, and the Regulations giving effect to the Edict, which were published on November 21 (see Appendix V.), have given the British Government the opportunity which Mr. Morley and Sir Edward Grey profess to desire. It is for Great Britain, abandoning her negative policy, to take positive action by urging the Chinese Government to denounce the Chefoo Convention, and use its right under the Treaty of Tien-tsin to place a prohibitive duty on the importation of opium.¹ British ships would then be available to stop any attempts at smuggling. Example is better than precept. Such an act on our part would strengthen the hands of Yuan Shih-kai, and of those who are associated with the distinguished Viceroy, in their efforts to

the House of Commons on June 4, 1880, argued that 'if the Chinese must be poisoned by opium, I would rather they were poisoned for the benefit of our Indian subjects than for the benefit of any other exchequer.'

¹ As pointed out by Mr. Morley when speaking in Parliament on May 30 last, the revenue from Indian opium has been steadily declining owing to the increased cultivation of the poppy in China. Whereas twelve years ago the revenue averaged £5,000,000, the estimated revenue for 1906 was only £2,295,000.

put down opium-smoking among their countrymen.

‘Conscia mens ut cuique sua est, ita concipit intra
Pectora pro facto spemque, metumque suo.’¹

‘Let us show’—the words are those of Mr. Morley, with a slight transposition of tense—‘that we are determined that on no account, whatever the cost, whatever the sacrifice may be, will we have any further dealing in this noxious drug.’²

¹ Ovid, ‘Fast.’ i. 25, 26.

While the proof pages of this volume were being corrected for the press, a telegram was published in the *Times* of December 25 last from Dr. Morrison giving the six provisions of the opium proposals which China has submitted for the approval of His Majesty’s Government. They are as follows:

1. Restriction of the importation of Indian opium till the disappearance of the traffic within ten years, the average import of the previous five years being taken as the basis.

2. Despatch of a Chinese official to Calcutta to investigate and supervise the regulations made for carrying out the above provision.

3. The doubling of the import duty at present levied upon Indian opium in accordance with the opium agreement of 1885.

4. An arrangement with Hong-Kong regarding the prevention of the entry into China of prepared opium.

5. Enforcement in the British Settlements of China of the new opium regulations.

6. Immediate enforcement of the morphia clause of the Mackay Treaty, without waiting for the assent of the other Powers.

Sir Edward Grey has at length obtained the opportunity which he and Mr. Morley profess to have been waiting for to prove the sincerity of their desire to assist the Chinese Government in abolishing opium-smoking.

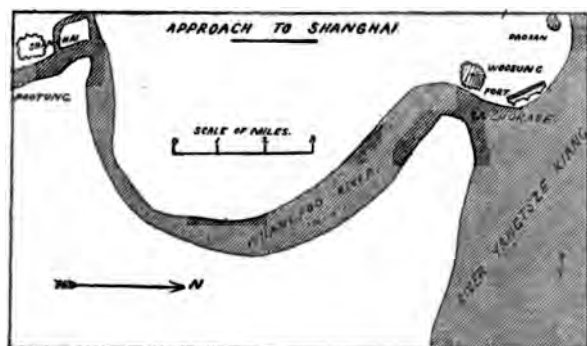
² Debate in the House of Commons, May 30, 1906.

CHAPTER XI

SHANGHAI AND THE 'YELLOW PERIL'

THE history of the British settlement at Shanghai illustrates the extent to which a policy of drift may be carried when a Government allows events to shape their way without attempting to direct their course. Although British pioneers bore the whole burden of securing a footing in the Yangtze delta, their efforts have been largely neutralized by the persistent refusal of the British Government to afford the trading community of Shanghai the protection which was obtained at Hong-Kong by means of territorial annexation. To this day Shanghai remains, not a political possession, but a commercial settlement, in which the antiquated machinery of Chinese sovereignty is inconveniently and derogatively intermixed with the administrative procedure established by the European settlers for the self-government of their community. On two recent occasions rejected opportunities occurred for retrieving the errors due to past omission. The annexation of Wei-hai-Wei in 1898 was an undignified reply to the seizure of Kiao-Chau

by Germany, and of Port Arthur by Russia. Had Shanghai been annexed instead of Wei-hai-Wei, a rich commercial prize would have been acquired by pacific arrangement, and all those complicated questions which are daily becoming more and more acute would have been settled by the establishment of British rule. Again, in 1900, had



APPROACH TO SHANGHAI.

NOTES.

On June 16, 1842, Vice-Admiral Sir William Parker, with Lieut.-General Sir Hugh Gough, seized Woosung, 134 guns being taken in the fort. Shanghai city was captured without hostilities on the 19th. After the Peace of Nankin, Sir Henry Pottinger obtained the concession for the British settlement at Shanghai.

Great Britain, in the face of the Boxer troubles, declared her resolve to safeguard the lives and property of her subjects at Shanghai by annexing the settlement, which is hers by right of concession, the acquiescence of the other Powers could at that time have been counted on. *Salus civitatis suprema lex.* Now that England is bound by treaty to maintain the territorial integrity of the Chinese

Empire, the opportunity for establishing British sovereignty at Shanghai has passed away, never to recur unless circumstances, neither expected nor desired, should restore to Great Britain that freedom of action which political necessity caused her to surrender.

Whatever industrial changes may take place in China, their effect will be to increase the commercial importance of Shanghai. Situated some twelve miles up the Whangpoo River, a small estuary of the Yangtze delta originally selected by the Chinese as a safe refuge from the raids of Japanese pirates, both accessible and defensible, secure from the floods of the Yangtze River and from the ravages of typhoons, Shanghai has established its position as the seaport for the trade which goes up and down the valley of the mighty Yangtze waterway as it follows its course from Thibet to the coast through the heart of the richest provinces of China. Railways will have a large share in the further development of China, but her foreign trade depends much more on that incomparable network of internal waterways which converge on Hankow, six hundred miles from the mouth of the Yangtze River, and are causing that town to take its place as the principal industrial mart of Central China. As Hankow develops, so will Shanghai, the nearest outlet to the sea, acquire a corresponding accession of commercial affluence. Shanghai has a further importance due to its geographical position, which makes it the natural terminus for ocean-going

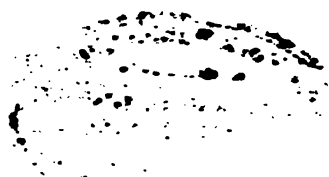


SHANGHAI BUND

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Photograph by T. M. Grady, Eng.

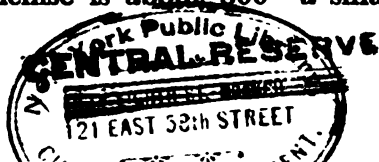




steamers, which use the port for transshipping their cargoes into those smaller vessels which carry on the distributing trade along the coasts of China and Japan. More than one-third of the world's trade with China already comes in and out of Shanghai, and it is important to note that 50 per cent. of that trade is in the hands of British merchants.

69840 The political situation at Shanghai is complicated and unsatisfactory. The settlement, which was once exclusively British, has now become international. Without any formal retrocession of their legal rights as concessionnaires, the members of the British community have allowed first the Americans, then the Germans, and afterwards other nationalities to be absorbed in the original British settlement, and have a share in its administration. France alone stands out from other nations, retaining a separate settlement under the exclusive control of French officials. There are thus two foreign settlements running side by side at Shanghai, one French, the other international, the latter being grafted on to the British settlement, the concession for which was obtained under the provisions of the Nanking Treaty of 1842.

The government of the international settlement is in the hands of a so-called Municipal Council consisting of ten members, who are annually elected by European householders paying a minimum monthly rent of 50 dollars. The electorate under this franchise is about 800—a small proportion of



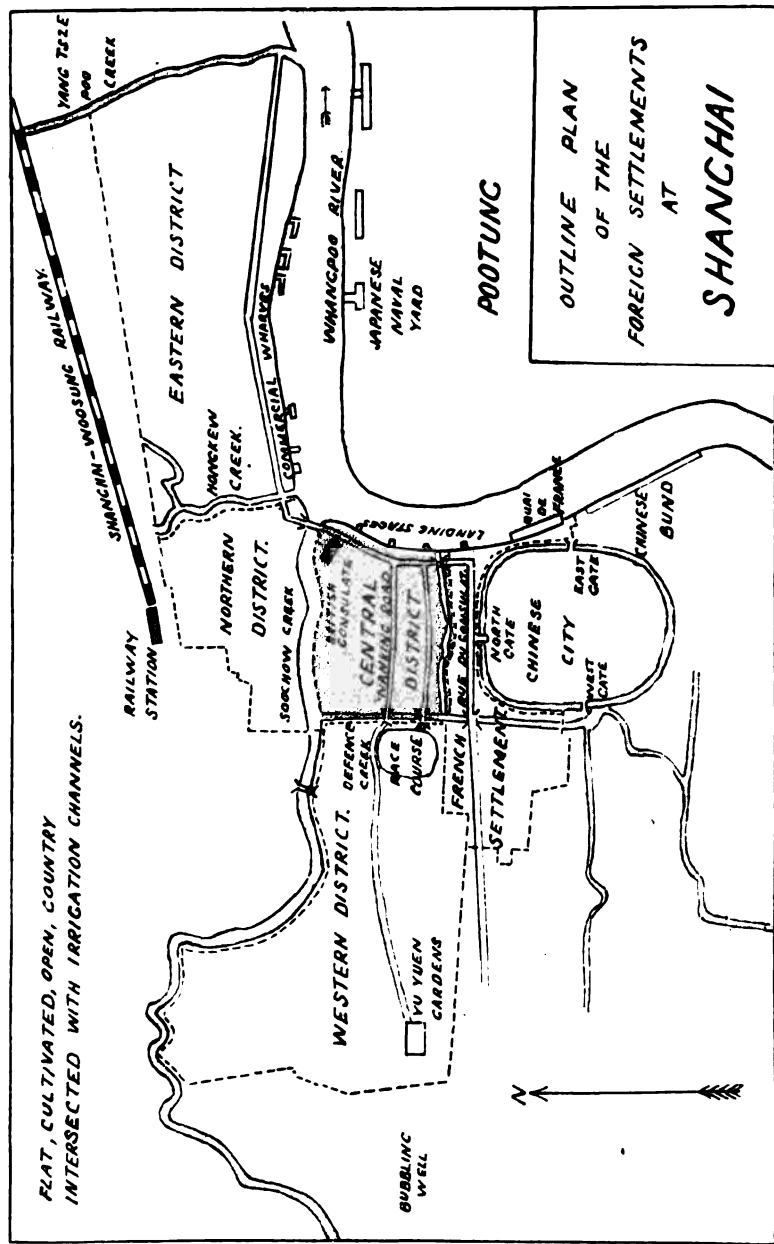
the foreign population now amounting to nearly 12,000. Subject to the control of the local Consuls, this Council is charged with all the duties of executive government, including the administration of the police and volunteer force. The Consuls, who form an International Court, under the presidency of the senior, are in their turn responsible to the Ministers of the Powers at Peking, who exercise a veto on the proceedings of the Shanghai Municipal Government through the local consular authorities. The Municipal Council has no judicial functions, which are exercised by a variety of courts, each of the Powers retaining jurisdiction over its own subjects. For the British community, with a population of 4,000, there is a Supreme Court presided over by a Chief Justice, with a police magistrate as assistant. Besides having local jurisdiction at Shanghai, this court is the Court of Appeal from the decisions of British Consuls at the various treaty ports of China. In the case of nationalities other than British, the Consul-General or Consul of each country is the judicial authority for his own people. For the litigation and trial of Chinese subjects living in the international settlement there is what is known as the Mixed Court, which is presided over by a Chinese magistrate, who is assisted by three assessors—one British, one American, the other German. This court has recently come into conflict with the Municipal Council, owing to its maladministration of justice. Chinese prisoners prosecuted by the Council's

police have sometimes been found guilty and set free without punishment, which they have escaped by bribing the court officials; while, at other times, prisoners too poor to be 'squeezed' have been illegally tortured, punished, and detained in custody after their innocence had been established. In 1905 the Municipal Council found it necessary to appoint a police officer to attend at the Mixed Court, watch its proceedings, and see that the law was enforced. Necessary as this step was, it naturally caused offence to the Chinese magistrate, and has led to continual friction. In December, 1905, a conflict, the details of which were fully reported at the time in the London press, occurred over the custody of certain female prisoners, the police officers of the Municipal Council insisting on removing the prisoners from the Mixed Court cells to the municipal gaol. This action on the part of the Council incensed the Chinese magistrate, caused the Mixed Court to be temporarily closed, and gave excuse for the antforeign riots which broke out, and which had to be suppressed by force of arms. The interference of the Shanghai Municipal Council with the jurisdiction of an independent court of justice has, of course, no legal justification; but the abuses committed in the name of law had become so notorious that the Council was compelled to intervene rather than suffer wrong to be done under the eyes of the foreign community, and with the knowledge of the responsible European authorities.

The complicated system of government described above can hardly endure much longer. Throughout the settlement there is a call for reform, and a desire to substitute a regular form of government for the present amateur arrangements. During the past five years the foreign population has nearly doubled, while the Chinese inhabitants residing within the European boundaries have increased by 100,000. There are nearly 12,000 foreigners and 450,000 Chinese in the settlement, the adjoining Chinese city containing 150,000 more. The Europeans—bankers, merchants, shippers, contractors—are too busy to find time for public duties, which can best be performed by a responsible Governor at the head of a trained Civil Service. British influence is at present in the ascendant, there being seven British members on the Council and only three members of other nationalities. If it were possible by common consent of the whole foreign community to bring about a pacific *coup d'état*, and set up the present popular British Consul-General as Governor, this would doubtless be the best way of dealing with a problem which is assuming acute dimensions, for which there seems to be no constitutional solution, and which must eventually be solved by revolutionary change.

Considering the isolated position of the foreign settlement at Shanghai, the available means of defence are too scanty for security. There is a police force 1,000 strong, containing about 100 Europeans and 200 Indians, the balance being

FLAT, CULTIVATED, OPEN, COUNTRY
INTERSECTED WITH IRRIGATION CHANNELS.



OUTLINE PLAN
OF THE
FOREIGN SETTLEMENTS
AT

SHANGHAI

London, John Murray

SCALE OF MILES.

THE DOTTED LINES SHOW THE LIMITS OF THE INTERNATIONAL AND FRENCH SETTLEMENTS, THE FORMER BEING DIVIDED INTO 4 DISTRICTS. THE CENTRAL DISTRICT IS THE ORIGINAL BRITISH SETTLEMENT, THE NORTHERN AND EASTERN DISTRICTS ARE THE ORIGINAL AMERICAN SETTLEMENT.

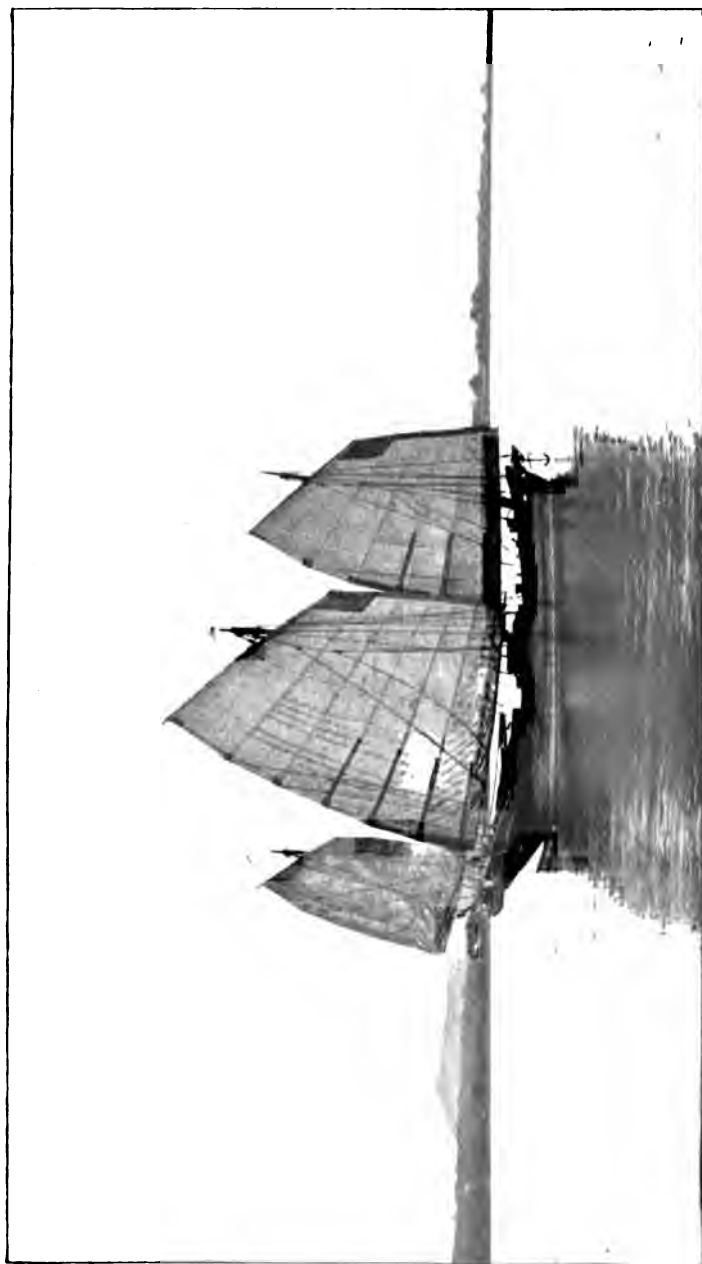
Chinese. Then there is a volunteer force, commanded by a British (regular) officer, mustering nearly 650, and including a German and a Japanese company. During the Boxer troubles the volunteers were called out, and undertook the defence of Shanghai till the arrival of the foreign troops; but their capabilities of defending the scattered settlement were not put to the test of active military operations. Two English gunboats are generally anchored off Shanghai, and the other Powers usually have a ship of war in the Whangpoo River; but circumstances might require the presence of these vessels elsewhere—as, indeed, was the case in 1900—and the settlement would have to fall back on its land forces. Since 1900 the Viceroy of Nanking has rearmed and reorganized his provincial army, which consists of 10,000 men, and has lately been seen and highly reported on by British officers; but the ability of the Viceroy's Government, even with this armed force, to control a general movement of insurrection directed against foreign encroachment is too uncertain to inspire confidence. At Shanghai the expediency of occupying the principal island of the Chusan group with a detachment of international troops finds general favour. The island was occupied in April, 1860, by a joint English and French brigade, the fine harbour providing a safe half-way anchorage for transports *en route* to the Gulf of Pechili. Troops stationed at Tien-tsin, where the international cantonment at present exists, are too distant for the immediate

Chinese Government in exchange for a lease of territory in the Chusan Islands. What is wanted is to establish a moral sense of security throughout the foreign settlement of Shanghai, and this can only be done by means of the visible presence of a naval and military force strong enough and near enough to control the situation.

At Shanghai the 'yellow peril' is a living force of dangerous possibilities. 'China for the Chinese' is the watchword of every secret society, and is the cry which gives expression to the universal sentiment of antiforeign enmity. No one can go through the crowded streets of the native city of Shanghai without perceiving the intensity of that sentiment which fills the minds of the vast Chinese population. Hatred and contempt for the foreign intruder can be read in every face. Leaders only are wanted, and they will soon be forthcoming from the mass of Chinese students returning from Japan. There they are learning how to use the power which collective organization and directed leadership will place in their hands. How far it may be in our own power to remove this feeling of enmity will depend upon the action of the British Government at the present crisis in Chinese history. No *entente cordiale*, however, is possible between the Chinese people and ourselves, unless the selfish and dishonouring commercial policy initiated by Lord Palmerston is reversed. Until this is done resentment will continue to increase, and the pent-up passions now secretly smouldering will one day

burst forth in an overwhelming wave of insurrection, compared with which the Boxer movement was only the mild and unorganized forerunner.

There are some who live at Shanghai in the same fools' paradise as English men and women lived in India before the Mutiny; there are others who know they are resting on the edge of a volcano, but who remain at the posts where their work and duty lie. In the present state of growing unrest in China it behoves the Government to be forewarned and forearmed, not acting with panic-stricken haste, yet not refusing, as in 1900, to listen to trustworthy reports, and always remembering that a small spark may kindle a mighty flame, which, when once lighted up, can only be extinguished after sustained exertion and costly effort.



CHINESE JUNK ON THE YANGTZE RIVER

From a photograph by T. M. Grundy, Esq.

To face p. 96



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YOKOHAMA
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CHAPTER XII

OUR NEW ALLIES

‘ Brother, give me thy helping hand ;
Brother, stand thou by me.
We are the vanguards of the land
And the firstborn of the free :
I in the East as thou in the West.
We are twin—we are twin, and our mother’s breast
Is the civilizing sea.’

No greater contrast can be conceived than that between the conditions of European life in China and in Japan. The notes made for the last chapter were written from Shanghai in the midst of a foreign population living in a state of veiled anxiety as to the ultimate outcome of the growing unrest in China. Japan is reached by passing through a transformation-scene as pleasing as it is astonishing. The change is like coming out of the gloom of night into the sunshine of early morning. In place of sullen, suspicious distrust the visitor receives a bright and unaffected greeting. Charmed by his surroundings, fascinated by his hosts, he forgets the ‘yellow peril’ which he has left behind—forgets that he is in the Far East, throws off his English

reserve, and, catching up the light spirit of the people, reciprocates the welcome which is everywhere extended to him.

The months of April and May are always the season for Japanese festivity, and last year the triumphant conclusion of the war was made the occasion for special national rejoicing, for some few weeks Japan being seen at its best in holiday garb. During the whole period of the writer's visit to the country Tokyo was *en fête*. Nothing can be in better taste than the modest attitude of the Japanese in regard to their victory over Russia. There is a total absence of that aggressive spirit of militarism which has often been found to take possession of Western nations after the termination of a successful war. The temper of the Government, of the army, of the people, is the same, indicating a quiet, unobtrusive, thoughtful satisfaction with the results achieved. For the purpose of the public triumph the large open space outside the Imperial Palace at Tokyo was turned into a vast field of war trophies — rows of field - guns captured at the battles of the Yalu, Liaoyang, the Shaho, and Mukden ; an avenue of great cannons and howitzers brought from Port Arthur ; thousands upon thousands of Russian rifles piled behind the guns ; limbers, waggon, ambulances, shot and shell, swords and lances—all arranged with the studied precision of the Japanese mind. Round these trophies daily collected great numbers of country people, who flocked to the capital to take part

in the peace celebrations and share the general rejoicing. Not in any sense of bellicose triumph, but with a serious sense of well-deserved success achieved at immense sacrifice, and by enormous effort, did these people walk round the spoils of war, which have been dedicated to the memory of their fallen brethren. For a few hours only when the terms of the Treaty of Portsmouth first reached Japan the populace of Tokyo, under a passing sense of disappointment, lost the habitual self-control which characterizes the Japanese people, and, breaking out into riot, gave way to excesses which ceased when the Government took the public into its confidence, and explained the reasons which made it necessary to conclude peace in the national interests.

Turning now to the political characteristics of the Japanese, what most strikes an English visitor is the religious tolerance which is everywhere observable, and which is in remarkable contrast with the bitter spirit of sectarian strife at home. 'Japan,' said Count Katsura in a recent letter, 'stands for religious freedom.' And the Count's words are literally true. While no form of religion is professed by the State, all forms are impartially encouraged. In Japan religion is not an end, but a means, of living up to that high standard of patriotic duty which the unwritten code of Bushido enjoins on every Japanese citizen. 'I am not a Christian myself,' said a Japanese officer not long ago to a prominent leader of the missionary com-

munity at Tokyo ; 'but if you can make my men Christians you will make them better soldiers.' If the Christian missionaries, under the wise lead of their venerable elders, will catch up the spirit of these words and offer Japan a solid foundation upon which to build a national form of Japanesed Christianity, their devoted labours will perhaps be crowned with an unprecedented and un hoped-for success. Buddhism, gloomy, superstitious, and debased, is out of date, has fallen into disrepute, and lost its former hold on the country. Its followers are confined to the ignorant, the dissolute, and the criminal population. There is an undefined yearning observable throughout the educated classes of society for some scientific form of religion which will appeal to the intelligence, as well as to the sympathies, of the people — 'a solemn creed expounded by a pure and learned priesthood.' But if Christianity is to take the place of Buddhism it must be the outcome of a popular demand, and not forced on the nation by official decree. Just as the tenets of Confucius and Buddha were grafted on to the ancient Shinto cult, so also must Christianity work its way by the same methods into the hearts and minds of the Japanese people. The all-absorbing sentiment of patriotism is based on a deep-seated belief in the continuity of active life in the Spirit-world, and on the unseen participation of those who have gone in the work of those who are still alive. With Japanese men, women, and children belief in spiritual communion with their

ancestors is the keystone of their conduct in life, and the sheet-anchor of their hopes in death. This is the Shinto faith, which has an abiding hold of all classes of society, and any attempt to supplant that faith by a creed which ignores the time-honoured custom of ancestor reverence is foredoomed to failure.

While recognising with admiration the collective patriotism and national sense of loyalty of our Japanese allies, we must not blind our eyes to their individual shortcomings. A visitor need be neither Puritan nor Pharisee to see that Japanese ideas of private morality widely differ from those of Europe. In this respect there is at present not much difference between Tokyo and Constantinople. The ethics of the Bushido creed do not extend to the intercourse between men and women. Moral obligations are at all times subservient to the necessities of family clanship. 'La famille, c'est la morale.' It is true, however, that a cry is being raised for the amendment of a moral code which is out of touch with Western notions. The Crown Prince, himself a faithful husband, abandoning the traditions of concubinage, has become the leader of this movement, carrying with him many of the younger statesmen who have grown up since the Revolution of 1868; but the process of Occidental evolution has not yet reached the inner life of Japanese society, and the relations between the two sexes are still governed by Eastern interpretations of moral law.

As the transformation from the old to the new order of existence continues to run its appointed course, so will the status of women become correspondingly dignified in the opinion of the Japanese people. Education has already done much for their emancipation; religion will do more; and when Christianity wins its way into the Island Empire, women will then be treated with the respect and consideration which is accorded to their position in Christendom.

But because the Japanese view of morality is different from our own it must not be supposed that our new allies lead dissolute lives. Neither in the higher nor lower classes of society is this the case. Those who know Japan best will corroborate the opinion of the writer that there is less debauchery in Japan than in England. The Japanese are a simpler, hardier, more disciplined race than the English. Paradoxical as is the statement, it is none the less true that the immorality of the Japanese is under better control than the moral lives of Englishmen. In respect of physical endurance and corporal activity, the average Japanese surpasses the average Englishman. Conscription has undoubtedly been beneficial in strengthening the sense of patriotism, in promoting habits of discipline, and in enforcing the rules of self-denial. On the walls of every Japanese school is inscribed a motto which can best be interpreted by the words taken from one of Horace's Odes:

*'Quanto quisque sibi plura negaverit,
A dis plura feret.'*

The Japanese are frequently charged with a want of commercial reliability, which bears unfavourable comparison with the correct dealing and punctual business habits of the Chinese. The charge if true is capable of explanation. Until recent years the trading class was the lowest in Japan, and as such was despised by the military aristocracy of the country. The farmer, the peasant, the artisan, were all superior in the social scale to the merchant, who never could rise above the lowest place, no matter how wealthy he might become. In such circumstances a low tone of commercial honesty was inevitable, and this has not yet been completely changed. In due time this laxity will disappear under the influence of Western intercourse, and Japanese merchants will doubtless establish as good a name for commercial integrity as those of other countries. In China the position is reversed, the status of the merchant having always been held in high honour and that of the soldier correspondingly despised. The merchant class of China is composed of the best men of the country, while in Japan, up to a few years ago, the reverse has been the case.

The Japanese are proud of their alliance with Great Britain, and fully appreciate its significance. It has given them an assured position among the Great Powers of the world. It insured fair play during the struggle with Russia, and made peace

possible before the belligerent resources of the Island Empire were exhausted. Without the alliance there would have been no guarantee against a renewal of the war as soon as Russia had recuperated her strength. While the alliance lasts there can be no question of Russia returning to Manchuria or recovering Saghalien. Japan has now a free hand for all her contemplated purposes of political and commercial expansion. The alliance confers mutual benefits on England. Though it ties the hands of British statesmen to those of Japan, it ties them with bonds of identical interest. As long as the alliance continues, it decides the mastery of the Pacific, and safeguards China from attack. The future of China, so far as it depends on forces outside the Empire, now rests with Great Britain and Japan, and with them alone. The policy of Partition inaugurated in 1898 has been replaced by that of the Open Door. The alliance is the natural *rapprochement* of two countries drawn together by a common policy of peaceful commercial expansion, which repudiates exclusive advantages for any individual State, and is based on the principle of equal opportunities for all nations. At the back of this policy is the combined sea-power of the two Island Kingdoms.

‘We are twin—we are twin, and our mother’s breast
Is the civilizing sea.’

What are Japan’s military and naval resources ; to



GROUP OF KOREANS AT SEOUL RAILWAY-STATION

From a photograph by T. M. Grundy, Esq.

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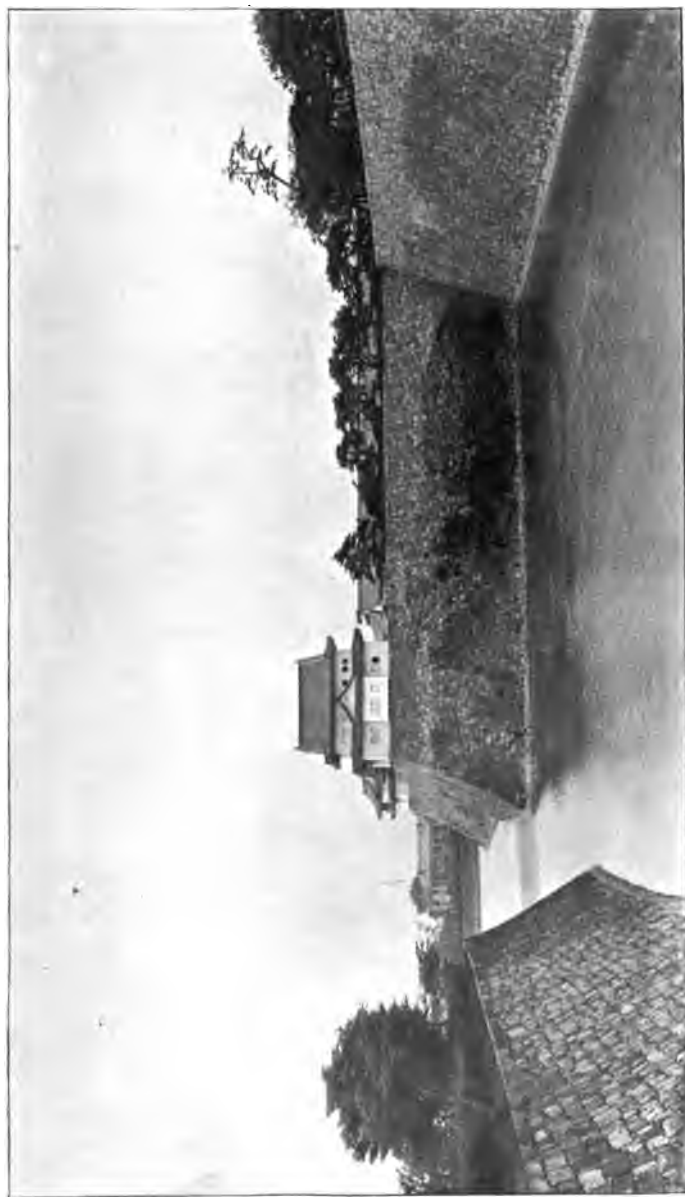
what extent can they be relied on in case the claim of Great Britain and Japan to control the Pacific should be disputed—what, in short, is the material value of the alliance to the British Empire? This inquiry will form the subject of some further chapters.

CHAPTER XIII

THE ARMED STRENGTH OF JAPAN¹

THE armed strength of Japan is based upon universal military service, which was introduced into the country in 1875. The step taken in that year had enormous political influence in consolidating the Revolution of 1868 by nationalizing the army and destroying the monopoly of the old feudal Daimyo chiefs, whose followers were exclusively recruited from the Samurai fighting caste. Formerly an aristocratic service, the army thenceforward became a democratic institution, including all men within its ranks regardless of social class. The army and people are now one and indivisible, the perfect spirit of fraternization which exists between the two having been demonstrated to onlookers from the whole world during the peace celebrations which have recently taken place in the capital.

¹ The writer is indebted to Captain Brinkley, formerly of the Royal Artillery, and now *Times* correspondent in Tokyo, for the gist of the information given in this and the succeeding chapter regarding the Japanese Army. Captain Brinkley has resided in Japan since the year 1867.



OSAKA CASTLE

Built by Hideyoshi, a famous Japanese General, known as the Taiko Hideyoshi (1536-1598)

From a photograph by T. M. Grundy, Esq.

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In 1884 Marshal Oyama, the late Commander-in-Chief of the Japanese armies in Manchuria, was sent to Europe at the head of a Commission to study the military organization of the Continental Powers, with the result that the Japanese Government decided to adopt the German system, obtaining for this purpose the services of a German officer as military adviser, who was given a free hand for introducing necessary reforms. Two great military departments were created, one for executive administration under the War Minister, the other for planning and thinking purposes under the Chief of the General Staff; the respective duties of these two departmental heads being arranged on the same lines as in the German Army. The islands were divided for purposes of administrative organization into six territorial divisional districts and one Imperial Guard district, with headquarters at Tokyo. Owing to financial necessities, the annual contingent of men taken for colour service was at first only 20,000, giving with a three years' period of service a peace strength of 60,000 for the active army; but even this restricted peace establishment enabled the Japanese Government to bring into the field, during the war with China in 1894, more than 100,000 fighting-men. At the conclusion of that war, when Russia, backed by France and Germany, compelled Japan to evacuate Port Arthur and withdraw from the Liao-tung Peninsula, the Japanese quietly, secretly, and methodically began to prepare for the Titanic

struggle which they foresaw to be necessary before their statesmen could carry out the political programme of expansion sketched out for the nation to follow. The army was reorganized on an improved basis, its peace strength being more than doubled, and calculated at a figure which would produce a mobilized strength of 550,000 in 1908, the year in which the new organization was to take complete effect.

Under *post bellum* arrangements, which are now practically completed, the Japanese Army is divided into three main divisions—the Active Army with its reserves, the Supernumerary Reserve, and the National Army. On reaching the age of twenty, every man is legally held to serve in one of these three branches till he is forty years of age. The choice is made by ballot, which takes place every year as soon as the numbers are fixed for the contingents of the Active Army and Supernumerary Reserve. Young men who draw the lowest numbers are taken for the Active Army, those who draw the next lowest for the Supernumerary Reserve, while the rest go to the National Army. In Japan universal military service is more strictly enforced than in any other country, the name of every physically fit young man, with very few legal exemptions, being registered in one of the three branches of the State army. As in France and Germany, however, young men of education are allowed to become one-year Volunteers, serving for twelve months in the Active Army, and then

joining the reserve, some as commissioned officers, others for service in the ranks.

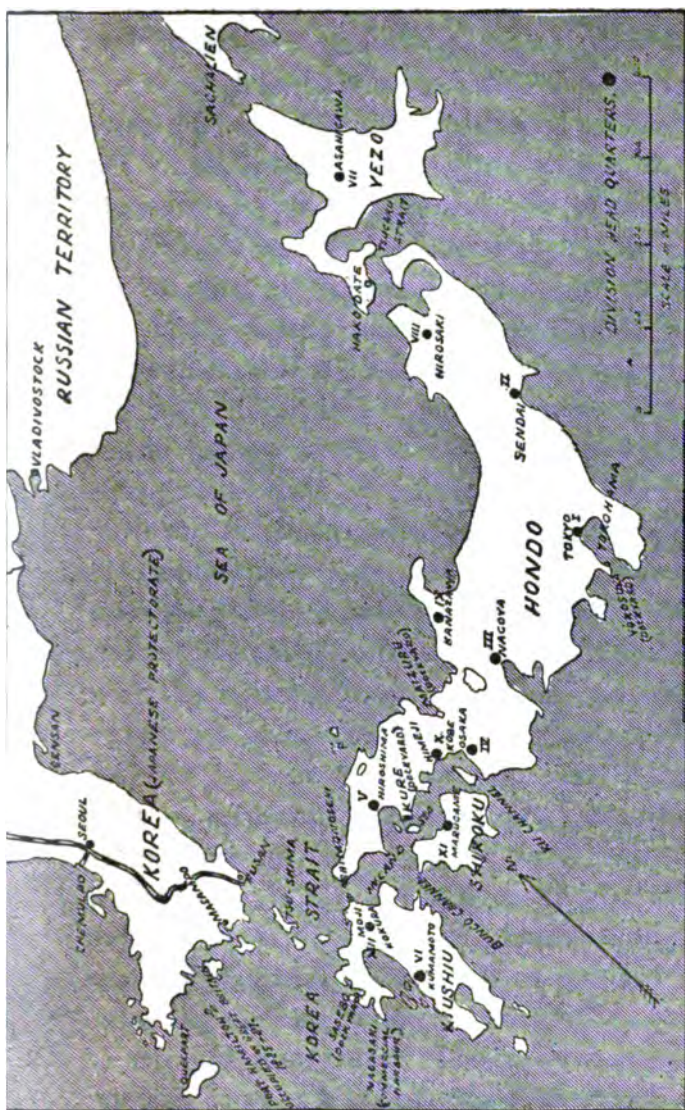
In the Active Army, service with the colours is for three years, after which the men pass into the first reserve for four and a third years, and then into the second reserve for ten years. When they have finished their reserve service they are transferred to the National Army for two and two-thirds years, till, on reaching the age of forty, they are free from further military service. During their service in the two reserves the men are called out to re-drill for six to eight weeks every second year.

The Supernumerary Reserve is composed of men for whom there is no room with the colours, but who are mustered as supernumeraries, and held ready to join the Active Army if required. The period of service in the Supernumerary Reserve is twelve and a third years, after which the men are transferred into the National Army. The whole of these men receive some three months' preliminary training during their first year of service, and every second year are called out to re-drill. When mobilization takes place they are formed into depot battalions, and become the source for replacing casualties at the front.

The National Army is composed of all men who have served their seventeen and a third years in the Active Army and in its two reserves, of men who have served twelve and a third years in the Supernumerary Reserve, and, finally, of those who, though physically fit for military service, have

drawn high numbers in the conscription ballot. The last class of men receive no military instruction during peace, but in case of an extended war are liable to be called up to the depots, put through a course of training, and sent to the front to replace casualties.

After the war with China, Japan was divided into twelve instead of six territorial districts, the Imperial Guard district at Tokyo making a thirteenth. Each of these thirteen districts furnished a division of all arms for the Imperial army. A Japanese division is composed of two brigades of infantry (twelve battalions), six batteries of artillery, one regiment of cavalry (three squadrons), one battalion of engineers, and the usual administrative services. There is no permanent organization above the division. The divisional district is commanded by a Lieutenant-General, who has the same power and functions as the commander of an army corps in Germany. He is responsible for the recruiting, mobilization, and training of all troops of all branches of the army within the limits of his district. When the army is mobilized, he takes the field with his division brought up to war strength, leaving behind a reserve General to carry on the duties of the district. During the war four additional divisions were formed, and are still maintained, giving a total strength of seventeen divisions. Two of the four new divisions form the garrison of Manchuria, and the other two that of Korea. The new divisions have not yet received any definite territorial districts, but are composed of redundant



JAPANESE COAST DEFENCES.

The entrance to the Inland Sea between Moji and Shimonoseki is closed by heavily armed forts on both sides of the channel; so also is the Kii entrance. The Bungo Channel depends on mine and torpedo-boat defences. The approaches to the naval arsenal and dockyard at Kure are further guarded by interior local fixed defences. The Bay of Tokyo is closed by powerful forts at Yokosuka, and by newly constructed batteries placed on reefs in the channel entrance. There are defences on both sides of the Tsugaru Strait. It is proposed to fortify Masampo (twelve miles from Fusan) and convert it into a naval base. Ten-shima is already fortified, and independent of naval defence. The Sea of Japan is a *mare clausum* for Japan as long as she retains command of her own seas.

troops from some of the most thickly populated districts of the islands. A fresh territorial distribution will shortly be made, dividing the country into seventeen instead of thirteen divisional districts.¹

Mobilization is carried out in much the same sequence of events as in the German Army. The field division is first brought up to war strength from men of the first reserve. When the division has gone to the front, a reserve brigade of six battalions, one squadron, one battery, and one engineer company, is formed from the officers and men of the second reserve. During the late war reserve brigades, composed as above, were mobilized in all districts, and employed in Manchuria partly on the lines of communication, partly at the front as a separate army, which was used under the command of General Kawamura on the extreme right of the Japanese line at the Battle of Mukden. Contemporaneously with the formation of these reserve brigades, depots are established for assembling men of the supernumerary reserve, which is exclusively used for replacing casualties as they occur at the front. When the supernumerary reserve is exhausted, but not till then, a call is made on the National Army, those who have received previous training in the Active Army being first summoned. Towards the end of the late war some of these men were actually drawn upon in order to keep the depots fully supplied and able to respond

¹ According to the most recent information received from Tokyo, the number of divisions—including the Guards Division—will be raised to nineteen during the ensuing year.

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to any call which might be made on them for reinforcements.

What is the available strength of the Japanese Army? The question is difficult to answer with exact figures owing to the absence of published official returns. During his stay in Japan the writer was most kindly and hospitably received by the Japanese officers whose acquaintance he was privileged to make, and for this reason he was the more careful to ask no questions regarding matters which the Japanese Government prefer to withhold from public knowledge. Numerical statistics came within the category of such information, there being no document published in Japan corresponding to the annual return of the British Army. In the absence of expert information, but with the help of friends connected with the local press,¹ it is possible, however, to give approximately accurate figures which will suffice for the purposes of this chapter, the following being the summarized estimate arrived at after a detailed calculation :

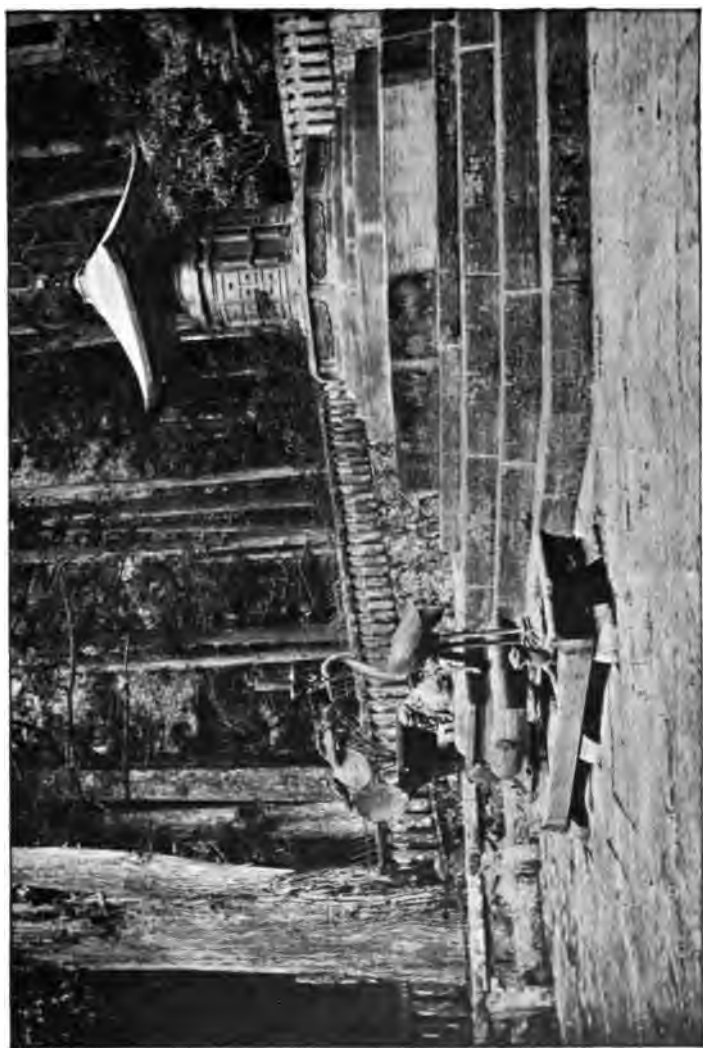
Seventeen divisions, having an average peace effective force of 6,000 fully trained men	-	-	102,000
First reserve of fully trained men	-	-	185,000
Second reserve of fully trained men	-	-	280,000
Supernumerary reserve : partially trained men	-	-	300,000
National Army : fully trained men	-	-	50,000
National Army : partially trained men	-	-	250,000
Total	-	-	1,117,000

¹ Much of the information upon which the figures given in the text are based is to be found in the following publications : 'The Japan Year-Book,' published in Tokyo, and 'Japan in the Beginning of the Twentieth Century,' published by the Imperial Japanese Commission to the Louisiana Exhibition.

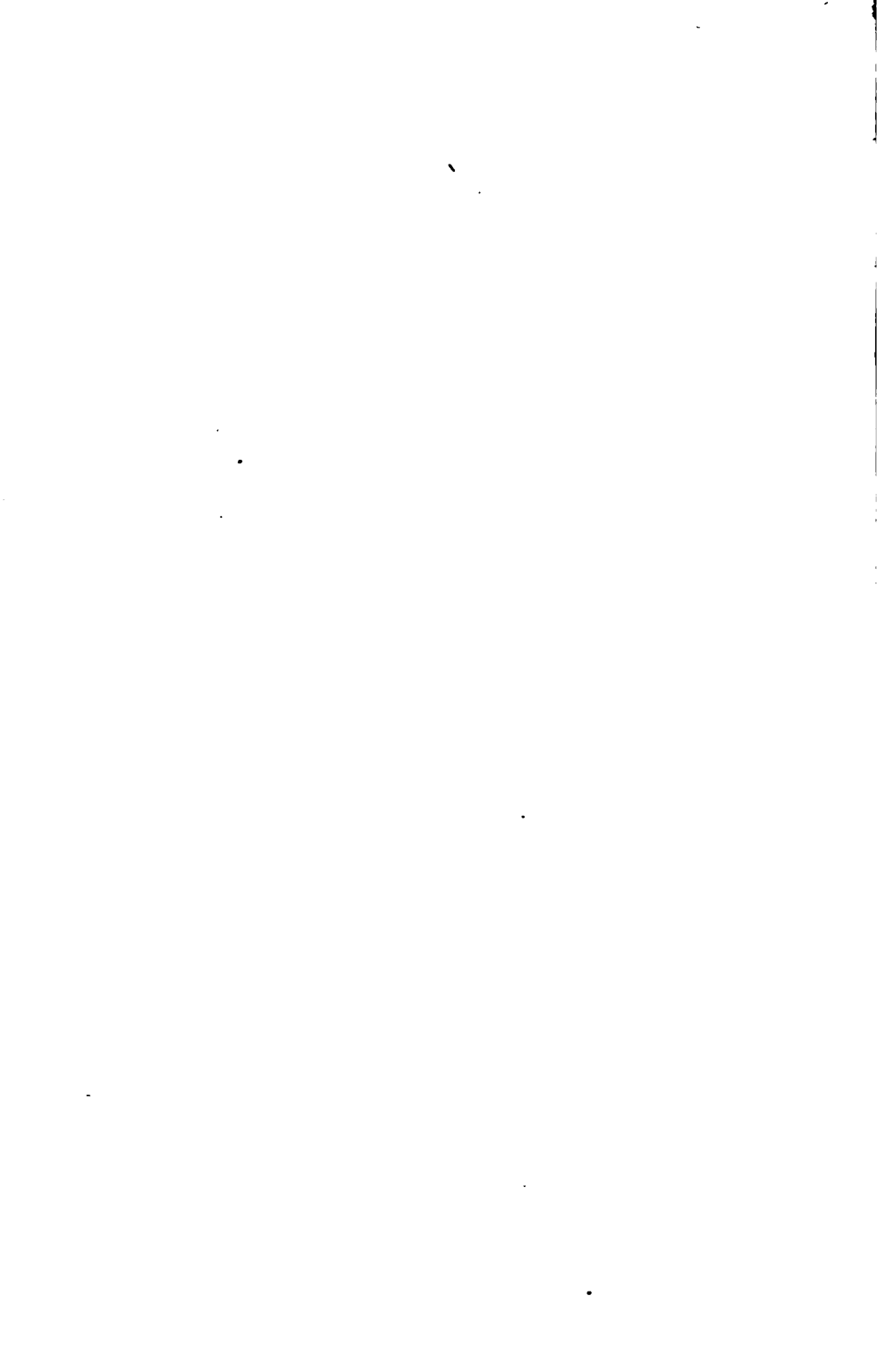
In addition to this number there is a further practically unlimited supply of untrained men belonging to the National Army who are legally liable to be called out in case of a prolonged war. The above figures represent the numbers available for active field service, and are exclusive of those required for the local garrisons of Formosa and the Loochoo Islands, as well as for the corps of military police.

It must not, of course, be supposed that the whole of these 1,117,000 men can be brought into the fighting-line together. The numbers so concentrated are limited by the numbers of organized units available on mobilization. Of these there are seventeen divisions and seventeen reserve brigades. The total strength of a mobilized division is believed to be nearly 20,000, but of this number there are at most 15,000 fighting-men, the balance being non-combatants. Similarly, the effective fighting strength of a mobilized reserve brigade does not exceed 5,500. Consequently, the actual mobilized numbers of the army which Japan can concentrate for a battle at any given point in a theatre of war at a distance from the base does not exceed $15,000 \times 17 + 5,500 \times 17 = 848,500$. As far as can be ascertained, the actual numbers concentrated on the Japanese side for the final battle round Mukden did not exceed 800,000 fighting-men, previous estimates of the numbers engaged having been exaggerated.

The above feat, even when reduced to un-



TOMB OF IEYASU
Founder of the Tokugawa Dynasty of Shoguns
1542-1616



exaggerated dimensions, has never been equalled in modern war. It was the culminating result of twenty years' work unostentatiously carried on without a single day's slackening of effort. The Japanese have no cause for silence in regard to their military organization, the efficiency of which has been twice and conclusively proved by the supreme test of war. There are larger armies among other nations of the world, but none more homogeneously organized or animated with a higher spirit of collective discipline. Verily are these wonderful people reaping as they have sown. 'The brilliant and faithful performances of a soldier on the battlefield are nothing but the blossoms and fruit of the work and training performed day by day in times of peace.'¹

The writer was present in the Aoyama Park at Tokyo on April 30, 1906, when 50,000 officers and men—the chosen representatives of the army of Manchuria—were passed in review by the Emperor. It was impossible to watch the quiet, business-like way in which the troops were brought on to the parade-ground, and took up their positions, without being struck by the perfection of the organization and the excellence of the discipline. From start to finish the proceedings were marked by a clockwork regularity which the writer has never seen surpassed, and perhaps not equalled, on any similar occasion, either in England or elsewhere. Silently, ceaselessly, automatically, with-

¹ Extract from a letter of General Nogi, the conqueror of Port Arthur.

out any sign of effort, did the prescribed movements continue to the end of the programme, when the Emperor left the parade-ground at the exact minute ordered. Every man seemed to know his place, and take his part without the need for direction. No orders were given, and no words of command heard. The effect was as though a huge inanimate machine had suddenly come to life, and set itself voluntarily in motion. A deep impression was visibly created among those foreign visitors whose presence had been invited, and who learnt with their own eyes the strength of that tremendous weapon which the Japanese have forged for purposes of national defence. Success seems only to stimulate them to fresh efforts. 'You will exert your energies so as to promote improvements and expedite the progress of the Imperial army,' were the Mikado's words to the victorious Marshal Oyama as he stood on parade to receive his master's congratulations. And the Marshal's answer sounded the same note of progressive determination: 'I, Oyama Iwao, your Majesty's servant, on behalf of the triumphant army, swear that our energies shall be further exercised in making increased efforts in response to the Imperial wishes.' Here we must for the moment leave the Japanese soldiers to celebrate the triumphs of victory with the solemn rites and religious services peculiar to the nation, while they receive the congratulations of a grateful people for whom they have fought so hard and endured so well.

CHAPTER XIV

THE JAPANESE ARMY

WHAT is the material value of the Japanese alliance to Great Britain? This question was partly answered in the last chapter, when the organization of the Japanese Army was described in general terms, and an estimate given of its mobilized strength. Having, with such approximation to accuracy as is possible in the absence of published statistics, stated the numbers available on mobilization, it remains to ascertain the fighting quality of officers and men, and the belligerent capacity of the Japanese Government to maintain a prolonged struggle when allied with the naval and military forces of the British Empire.

While searching for information, an opportunity occurred for consulting a military expert, an old resident in Japan, who has followed the rising fortunes of the nation from the days when the revolution of 1868 enabled the Mikado to throw off the yoke of the Shogunate, abolish the feudal power of the Daimyo chiefs, and take the reins of civil and military government into his own hands. The following is the substance of the remarks with

which the writer was favoured by the authority mentioned :

‘I have known the Japanese Army for many years, and was prepared for the successful campaigns against China and Russia. The soldiers are drawn from the finest raw material in the world ; they form the picked manhood of the country. Every year between 400,000 and 450,000 young men reach the age of twenty. As near as can be estimated—the exact figures are kept secret—about 60,000 are required for the annual contingent for the Active Army. These are first selected by ballot, and then submitted to a rigid medical inspection. Any about whose physical condition there is the slightest doubt are struck out of the Active Army list, and relegated either to the Conscript Reserve or National Army. When the numbers required have been taken, the best men physically are sent to the infantry, which is the most favoured and popular arm of the Japanese Army. The Japanese infantry soldier can carry more, and march longer, than the foot soldier of any other army. During his three years’ colour service, the chief part of his training consists of marching exercises, his active service kit and equipment, weighing some sixty pounds, being always carried on his back. His marvellous power of covering long distances at a running pace was testified to by every war correspondent with the army in Manchuria. In action the fire discipline of the men was reported as being under complete control, no rounds ever being

wasted. It is worth noting that during peace the Japanese devote more time to target practice, and less to field-firing exercises, than is the case with other armies, their belief being that accurate shooting is best learnt on the rifle-ranges, where supervision can be effectively used.

‘The cavalry of the Japanese Army cannot be classed in the same category of superlative excellence as the Japanese infantry. Japan is not a horse country, and the Japanese are not horsemen. The old Daimyo chiefs fought always on foot, and so did their Samurai followers. In former days the horse was unknown in the country, except when introduced into a religious procession to satisfy the demand for novelties. In children’s books the horse is still described as a “dangerous animal,” being classed with lions, tigers, and other wild beasts. So strong is the natural dislike of horses among the Japanese, they turn their men into beasts of burden rather than allow themselves to be driven in carriages. Grooms and coachmen are drawn from the lowest class of labourers, and can only be induced with difficulty to adopt their calling. The Japanese officers learn to ride with characteristic energy and thoroughness, but they are not natural horsemen, and when mounted seldom appear at home. Having no love for their horses, and only possessing a book knowledge concerning their treatment, they are indifferent horse-masters, regarding this part of their duty with necessary but bored interest, which is not

conducive to the efficient care of the animals under their charge. During the war the cavalry did very little. There were no independent cavalry divisions formed, the various cavalry regiments being distributed among the infantry divisions, and the troopers being chiefly used for work as mounted orderlies. Misunderstanding their rôle as the "ears and eyes" of the army, the Japanese cavalry hung about the field of battle waiting to come into shock conflict with the Russian Cossacks (who wisely kept out of the way), caring neither to reconnoitre, manoeuvre, nor pursue, but standing inactive aside while the whole burden of the fight was left to the infantry. From what I have seen and heard, the Japanese authorities are fully alive to the cavalry weakness of their army, and are making every effort to improve the standard of riding, and encourage an equestrian spirit among officers and men. A big scheme of reorganization is now under consideration. According to a semi-official statement communicated to the *Jiji Shimpô*, the leading Japanese journal, eight divisions of cavalry are to be organized on European models, with a corresponding number of horse artillery batteries. The horse soldier is not made in a day, and with any other people than the Japanese it would take a generation to create an effective body of cavalry; but the Japanese nature adapts itself so readily to circumstances, there should be no difficulty during the next five years in raising a force of 20,000 cavalry able to hold its own against the best cavalry to be found in Europe.

‘The Japanese artillery has lately gained in prestige and popularity owing to the results achieved in the Manchurian campaign by the admirable handling and shooting of the batteries. Though the Japanese gun was inferior to the Russian gun in range and shell-power, the Japanese gunners never hesitated to advance near enough to the opposing artillery to make their fire effective, their batteries being handled with great tactical skill, and led into concealed positions in the most clever fashion. When in action, owing to the superior training of the *personnel*, their fire nearly always succeeded in silencing the Russian guns. The weak point of the artillery arm is the horsing of the guns with small, underbred animals without the necessary strength and endurance for the heavy work required of them. I have been told by a journalist who accompanied the advance on Mukden that the Japanese batteries, even when going into action, seldom moved faster than at a walk, and could with difficulty keep pace with the infantry. But the peace training of officers and men is excellent, and when better horsed, and armed with a modern quick-firing gun, the Japanese artillery will be as good as that of any European Power. The want of light-horse artillery guns able to accompany the cavalry was badly felt during the campaign in Manchuria, and the creation of a proportion of these batteries is recognised as one of the first of *post bellum* necessities.’

While in Japan I was able to verify the

above-quoted remarks by non-official conversations with English-speaking Japanese,¹ some of whom went through the recent campaign, and who are willing to talk about army matters with a freedom of expression which was never permissible while the war was in progress. It is a mistake to suppose that there is greater mystery about the Japanese Army than about any other. Certain matters—mobilization arrangements, concentration plans, armaments, fortifications—are rightly preserved as a sealed book, and treated with the same secrecy as in France or Germany; but with regard to military history, policy, general organization, training of troops, etc., the published sources of information are more readily accessible to the general public than on the Continent of Europe. Since the war there has been a disposition on the part of the Government to take the nation more into official confidence than has hitherto been usual, the recent *communiqué* in the columns of the *Jiji Shimpō* having been published with a view to inviting discussion, and in this way bringing the influence of an instructed public opinion to bear on the consideration of the many reforms which the experience of the war has shown to be necessary.

¹ A special debt of gratitude is due to Baron Suyematsu, an ex-Cabinet Minister and member of the Imperial Privy Council, for the frank and full information which he was always ready to supply regarding military and political matters. The Baron is son-in-law of Marquis Ito, and it was through his kind services that the writer obtained an introduction to the famous Japanese statesman.

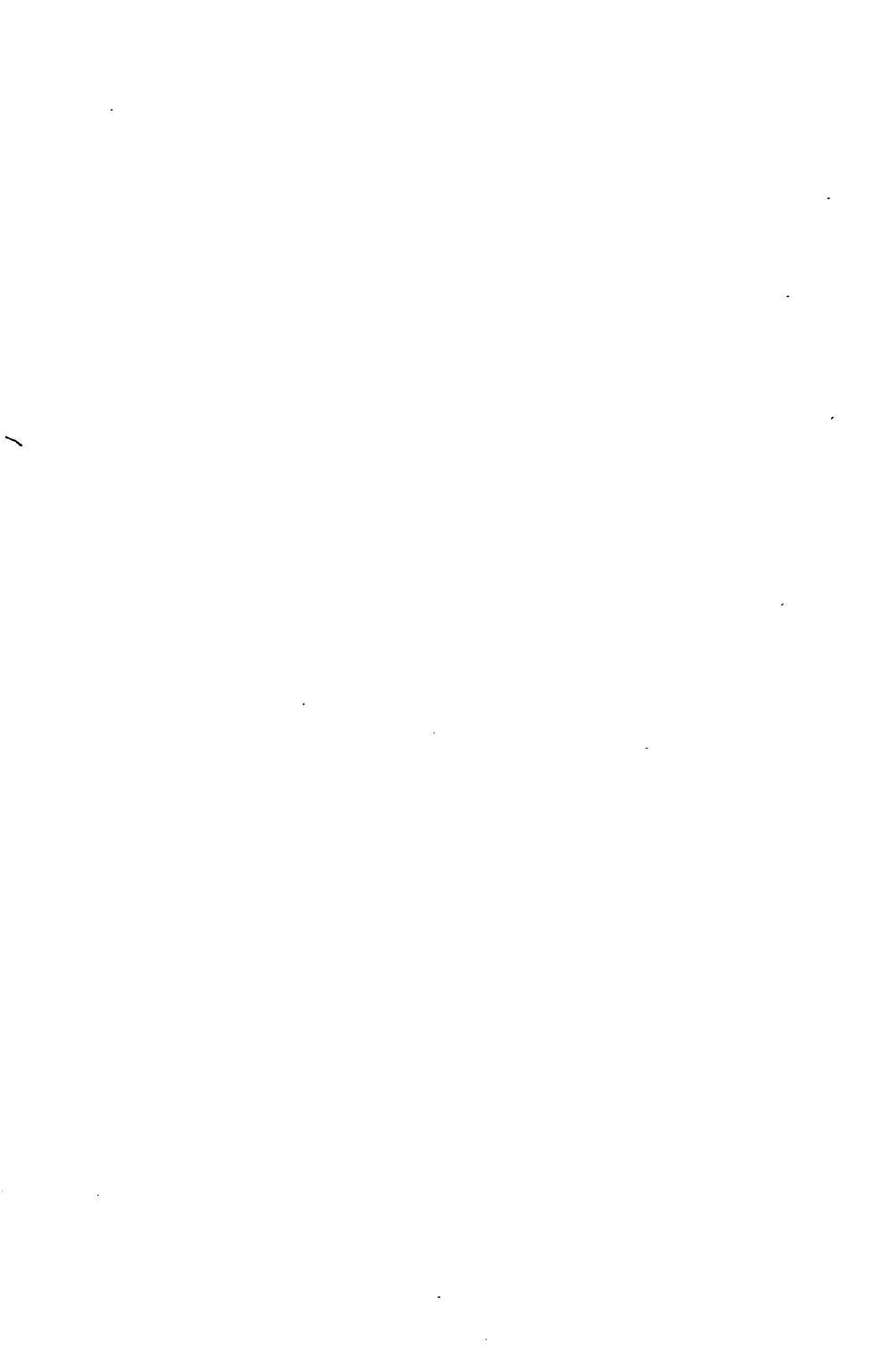
Successful war brings no finality to the work of the military reformer. Headed by the trusty War Minister, General Terauchi, and the brilliantly clever Chief of the General Staff, General Kodama,¹ the Japanese War Department officials are busily occupied with fresh proposals for increasing the strength and efficiency of the army. It has already been decided that the term of service with the colours during peace is to be reduced from three to two years. The effect of this important change will be to lighten the burden of conscription service, and at the same time to increase by one-third the effective strength of men available on mobilization. Assuming that there will be no reduction in the peace strength of the Active Army, and that the period of reserve service will remain unaltered, the annual contingent must be raised from 60,000 to 90,000 in order to maintain the existing numbers with the colours. The ultimate result of this change, when it has had time to be fully developed, will be the addition of another 500,000 fully trained fighting-men to the strength of the Imperial Army.

This increase of strength will enable the War Department to accomplish the military reforms which have been foreshadowed in the press. Those reforms include proposals to increase the number of army divisions from seventeen to nineteen; to

¹ To the great loss of Japan, General Kodama died suddenly in July, 1906, and has since been replaced as Chief of the General Staff by General Baron Oku, Commander of the Second Army during the Manchurian campaign.

organize, as already explained, eight cavalry divisions with their attendant horse artillery batteries ; to create ten brigades of heavy artillery armed with position guns and howitzers throwing high-explosive shells ; to raise each divisional battalion of engineers to the strength of a regiment (three battalions) ; to do the same with each divisional battalion of the transport ; to give each division a balloon equipment ; and to effect a large expansion of the existing telegraph and telephone corps. When the War Department has had time to prepare proposals for submission to the Imperial Diet, it will be interesting to see how far this formidable programme is reconcilable with the necessity for restoring financial equilibrium, which has been so largely disturbed during the past three years. Until the official estimates are before the country definite discussion is fruitless ; but enough has been said to indicate the scope of the Japanese Government's intentions in regard to the measures deemed necessary for the national security. It may not be possible to carry out immediately the whole of the programme which has been tentatively put forward,¹ but it is certain that the next decade will witness developments of military organization as far-reaching as were those made during the ten years between the Chinese and

¹ According to the latest news from Japan, General Terauchi, Minister of War, has succeeded, after a prolonged struggle, in getting Cabinet sanction for the bulk of his reorganization proposals, funds being obtained from economies in other departments of the State.





GENERAL KUROKI Commander 1st Army	GENERAL NOZAKI Commander 4th Army	MARSHAL YAMAGATA Chief of the General Staff	MARSHAL OYAMA Commander- in-Chief in Manchuria	GENERAL UTSUNOMIYA Commander 2nd Army	GENERAL NAGATA Commander 3rd Army	GENERAL KOTANI Chief of the Staff in Manchuria. Died July, 1906	GENERAL KAWAMURA Commander 5th Army
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GROUP OF JAPANESE MARSHALS AND GENERALS

From a photograph taken at Mukden, September, 1905

Russian Wars, and which, when completely evolved, will enable Japan, with or without allies, to assert her claim to leadership among the nations of the Far East, and compel obedience to the dictates of her Imperial policy.

The illustration which faces this page, and is reproduced from a photograph taken at Mukden, represents a group of the principal Japanese Marshals and Generals employed in the war with Russia, together with Marshal Yamagata, who was recalled from retirement to undertake the duties of Chief of the General Staff at Tokyo when Marshal Oyama went to the front as Commander-in-Chief. The photograph was taken after the signature of the Treaty of Portsmouth, Marshal Yamagata's presence at Mukden being due to the wish of the Emperor that he should personally communicate the terms of peace to the army, and explain the necessity for stopping the war. Marshal Yamagata arrived at an opportune moment, and as the direct messenger from the Emperor, was able to reconcile the Generals in the field to terms which fell far below their most moderate expectations after the successes gained during the Manchurian campaign.

There are few more fascinating personalities than that of Marshal Oyama. Without the military genius of a Kodama, or the statesmanship of a Yamagata, he possesses all those moral characteristics which make for leadership, and qualify for command. To a natural simplicity of mind he adds an unswerving sense of duty, a never-failing tact,

and a patience, sympathy, and good temper, which have endeared him to all ranks of the Japanese Army. If Marshal Oyama tried to make an enemy he would fail in the attempt to do so. Greatness has come to him without either effort or wish on his part. The desire for fame—‘that last infirmity of noble minds’—is foreign to his nature. ‘*Licet sapere sine pompâ, et sine invidiâ.*’ The younger son of a noble family, he rose to the high office of Commander-in-Chief by sheer force of heart, character, and work.¹ Never mixing himself up with politics, he has all the more for that reason gained the affection and respect of the whole nation. At the age of sixty-four he still retains the energy and freshness of youth. After the war he asked the Emperor’s leave to retire to his country house, and devote his time to his favourite pursuit of farming; but he is often called to Tokyo to take his place in the Supreme Council of War, which is the highest advisory body in the State. It was a pleasure to be in the company of this distinguished soldier, listen to his inspiring counsel, and carry away his last words spoken in reply to a question put to him as to the cause of Japan’s recent victories: ‘There were two reasons for our military successes—the justice of our cause, and the self-sacrifice of our army.’

¹ The Marshal’s sound judgment was never better exemplified than when he threw in his lot with the Imperialists in 1877, and took the field at the head of a brigade against his uncle, Saigo, the great Satsuma clansman, who had raised the standard of revolt.

The main strength of the Japanese Army lies in its officers. Clever yet modest, serious but cheerful, hard-working and reliable, the Japanese officer, whether allocated to staff, regimental, or departmental duties, is master of the profession to which he devotes every hour of his life without any thought for outside interests. Each day is a continuous round of toil, which leaves him no leisure for personal indulgence or social amusement. Upon his shoulders, in the absence of long-service non-commissioned officers, falls the whole burden of training the conscripts for war, and the thoroughness with which he performs his duties is recognised both by his superiors and by the men under his lead. The secret of the Japanese officer's power is the disciplined example which he at all times sets his men, and expects them to follow. That power will continue as long as he preserves his present simplicity of life, avoiding the pitfalls of luxury, and seeking always to reach that high standard which has been put before Japanese officers as the goal of their aspirations by one of their most successful and popular generals—the conqueror of Port Arthur. Writing to General Terauchi a few days after Stoessel's surrender, General Nogi improved the occasion by uttering a word of warning for future guidance. 'I am more than ever convinced,' he wrote, 'of the inevitable injury done to the discipline and homogeneous character of an army by the pernicious habit of extravagant life during peace. Do not think I write too strongly

when I express my absolute conviction that for preserving military spirit simplicity of life is as essential as is the practice of moral precepts. I do not refer to the period of war. My point is that when they have ceased to hear the voice of the cannon our military men must never fall into luxurious habits, which are unmilitary and destroy their fighting spirit.'

CHAPTER XV

THE NAVAL STRENGTH OF JAPAN

THE rapid development of the naval strength of Japan is even more astounding than the growth of her military power. Under the feudal system established by the Shogun Ieyasu at the close of the fifteenth century, each of the Daimyo chieftains was required to maintain an armed force varying in strength according to the size and population of his fief. When the Revolution took place in 1868, these armed forces were utilized by the Mikado's Ministers to furnish recruits for the army which had to be improvised until conscription could be established. There was thus a foundation of trained soldiers upon which to build the military system, which was subsequently developed with such rapid strides. The Imperial navy, on the contrary, had to start *de novo*. The policy of isolation instituted by Ieyasu, and followed for 250 years by his successors, was prohibitive of all commercial and naval expansion outside Japanese territory, and so thoroughly pursued was this policy that to build an ocean-going vessel was a crime punishable by the

death penalty. Thus it happened that the spirit of mercantile enterprise was crushed out of the Japanese people during the very years when Great Britain was building up her sea power; nor was there any revival of this spirit till the arrival at Yokohama, in 1858, of the naval expedition under Commodore Perry, whose instructions from the American Government were to insist on the opening up of trade, and the abolition of the policy of exclusion. Then the Shogunate Government began, as best it could, to buy ships for self-defence, and the Princes of Satsuma and Tosa also did the same; but beyond these few ships, mostly small, and only seventeen in all, the Imperial Government received no naval inheritance from its feudal predecessors.

Sea power is not the growth of a day, and a navy, as Napoleon discovered, cannot be created with the same ease as an army. Ships are useless without trained seamen to man them, and without dockyards equipped for their repair. At the cost of much labour and learning, the foundations of Japan's future sea power had to be slowly, thoughtfully, gradually laid. For the first twenty years after the Revolution there was not much to show. Officers and men had to be trained in modern naval science, the forgotten art of shipbuilding relearnt, dockyards constructed, plant set up, schools established, and qualified foreign teachers obtained. With the help of English-lent naval officers, the Japanese applied themselves to the task before them with characteristic assiduity, and after twenty

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years of work they began to reap the fruits of their efforts.

In 1871 the Japanese had 17 small ships of war, with an aggregate tonnage of only 6,000. In 1894, when they entered on their war with China, their war vessels numbered 33, with an aggregate tonnage of 61,000. After that war naval expansion proceeded much more briskly, in view of the preparations which were made to fight Russia. Between 1895 and 1902 no less a sum than £22,000,000 was spent on shipbuilding, the result being that at the beginning of the Russian War the Japanese Navy mustered 76 warships, with an aggregate tonnage of 275,000, as against the Russian fleet of 83 ships, with an aggregate tonnage of 410,000. Japan was weak in first-class battleships, having only 6 in commission, as against the 15 battleships with which the Russian Navy started the war.

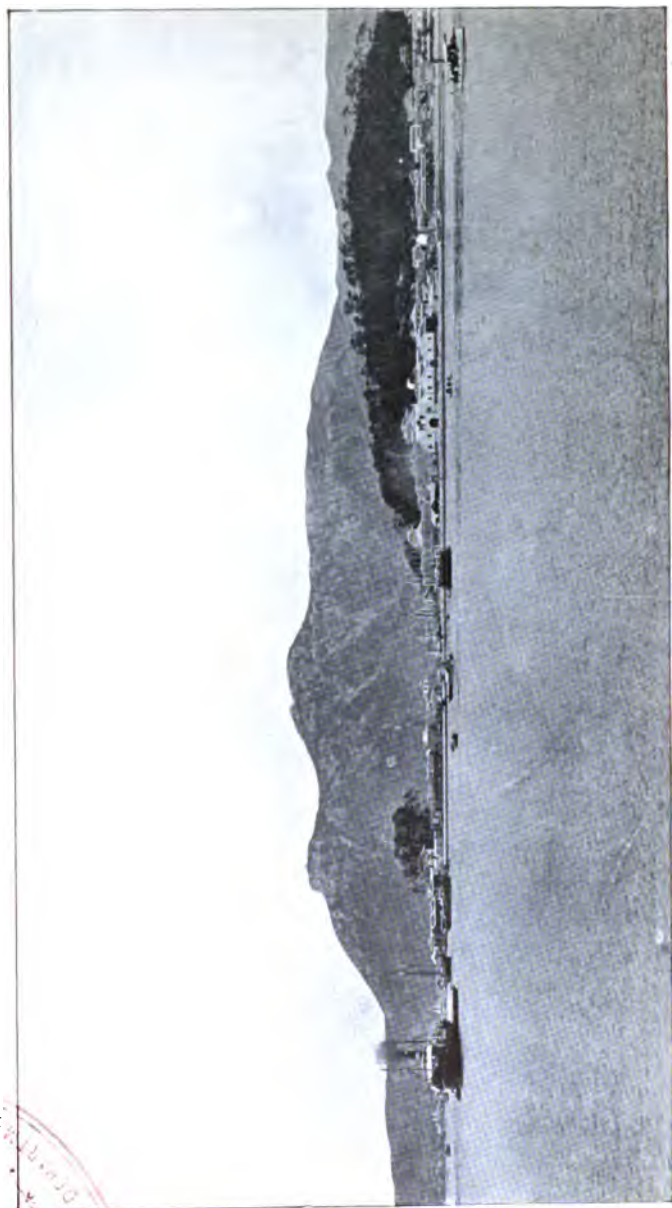
The results of the war added 6 captured battleships to the Japanese Navy, besides 4 cruisers and a number of small craft, giving a total tonnage of 104,000. Deducting Japan's losses of 2 battleships, 4 cruisers, and other craft, with an approximate tonnage of 46,000, the war brought the Japanese Navy a net tonnage gain of 58,000. To the captured ships must be added the 2 battleships *Katori* and *Kashima*, commissioned in 1906, which were built in England under the shipbuilding programme of 1903, and the 2 battleships *Aki* and *Satsuma*, now building in Japan, together with 8 new cruisers,

also built or building in Japan, and 80 new destroyers. By the middle of 1907 the strength of the Japanese Navy will approximate a tonnage of 500,000, divided among 17 battleships, 84 armoured and protected cruisers, 54 destroyers, and 79 torpedo-boats, besides 5 submarines, and other small accessory craft. Japan will then possess a navy equal in numerical strength to one-quarter of that of Great Britain, and will rank fifth among the naval Powers of the world, being ahead of Italy, and treading close on the heels of America.¹

The Japanese have now five principal naval stations, at each of which there is an Admiral commanding-in-chief. There is the central station at Yokosuka, in a corner of the Bay of Tokyo; the station at Kure, near Hiroshima (visited by the writer), situated in a secure retreat in the Inland Sea; the station of Sasebo (visited by the writer) at the entrance to the Straits of Korea; the station of Maizuru, centrally placed on the north coast of Japan; and the newly acquired Port Arthur, where an Admiral's command has now been established. These stations have been selected for purposes of strategical convenience, having regard to defensive

¹ This volume will be passed for the press before the publication of the Japanese Naval Estimates for the ensuing year; but it is understood that the Naval Budget will include a sum of £7,500,000 (in addition to the normal shipbuilding vote) to be spread over seven years for increasing the strength of the navy.

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FUSAN HARBOUR, KOREA

From a photograph by T. M. Grundy, Esq.

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security for the dockyards as well as to the necessities for offensive concentration for the fleet. At each station there is a dockyard and naval arsenal in a condition of more or less development. The Yokosuka naval station is the oldest, dating from 1884 ; but Kure, established some years later, possesses the largest and most important dockyard and naval arsenal in Japan. After Kure and Yokosuka, Sasebo comes next in importance, the Maizuru dockyard not having been opened till 1901. All these naval stations are strongly fortified, and are independent of naval defence.

Until lately nearly all the Japanese ships of war were built in England, some few ships only having been obtained from France and Germany ; but since the development of the Yokosuka dockyard, and more recently of that of Kure, Japan has become gradually and increasingly self-dependent as regards shipbuilding, and will obtain fewer vessels every year from English yards. Two first-class armoured cruisers, the *Ikoma* (14,000 tons) and the *Tsukuba* (14,000 tons), have already been launched from Kure dockyard, while the *Satsuma* (18,000 tons) was launched in November, 1906, at Yokosuka, and the *Aki*, now under construction at Kure, is expected to be floated early in 1907. All guns, even for ships built in England, are now made in the Kure Arsenal, where there is a gun factory as large and well equipped as at Woolwich and Elswick.

Naval organization in Japan is based on the same

principles as military organization. The Emperor is the nominal head of the navy, as he is of the army, the Minister of Marine, the Chief of the Naval General Staff, and the Commander-in-Chief of the five naval stations reporting direct to him. The Minister of Marine is responsible for the general efficiency of both the *personnel* and *matériel* of the entire navy, while the Chief of the Naval General Staff performs the same functions for the navy as the Chief of the Military General Staff does for the army. He is the organizer, planner, and strategist, while his colleague, the Minister, is the executive director. Admiral Togo at present holds this important office. The status of the naval Commanders-in-Chief is somewhat higher than that of the Generals commanding military divisions, in that theoretically they report direct to the Emperor, and not through the Minister of Marine. Practically, however, this right is only exercised in time of war, all business reports during peace coming up to the Minister's office.

Superior to the actual office-holders are two councils, both of which have common deliberative jurisdiction over naval and military administration—the so-called Military Council, and the Higher Military Council. The first of these councils, composed of the Ministers of War and Marine, and of the Chiefs of the Naval and Military Staffs, is a small working body, which meets regularly to secure current co-ordination between the two services. The Higher Council is composed of

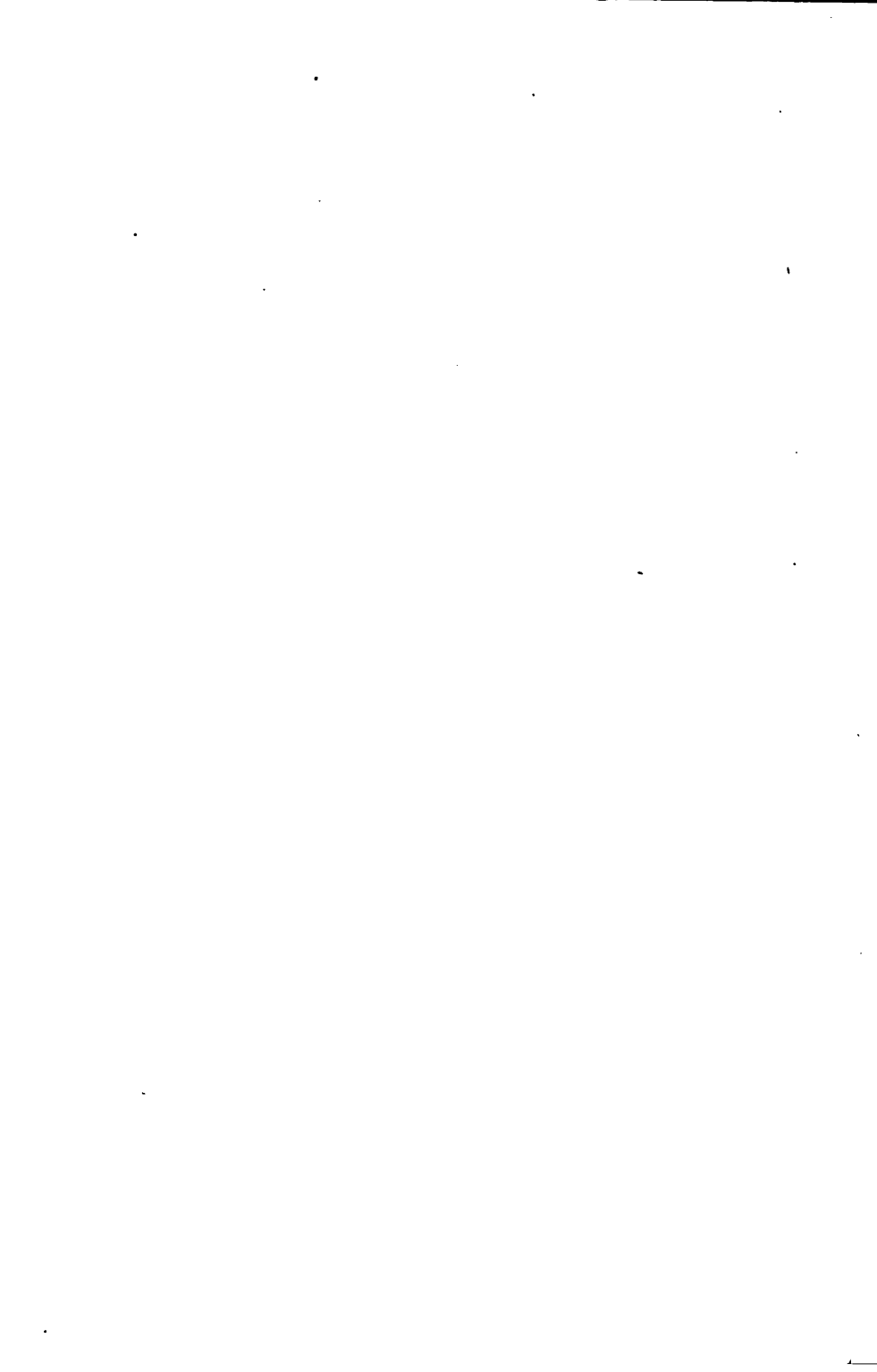
Senior Admirals and Generals, and has the same advisory functions in regard to naval and military affairs as the Elder Statesmen have in regard to civil administration. Before any changes of importance are introduced into either service, they have to be approved by this Higher Military Council, and then submitted for the sanction of the Emperor. Cumbersome as this system may appear in theory, it is not so in practice, and is found invaluable in providing a check on Ministerial precipitation, and in securing both continuity of policy and co-ordination of administrative work.

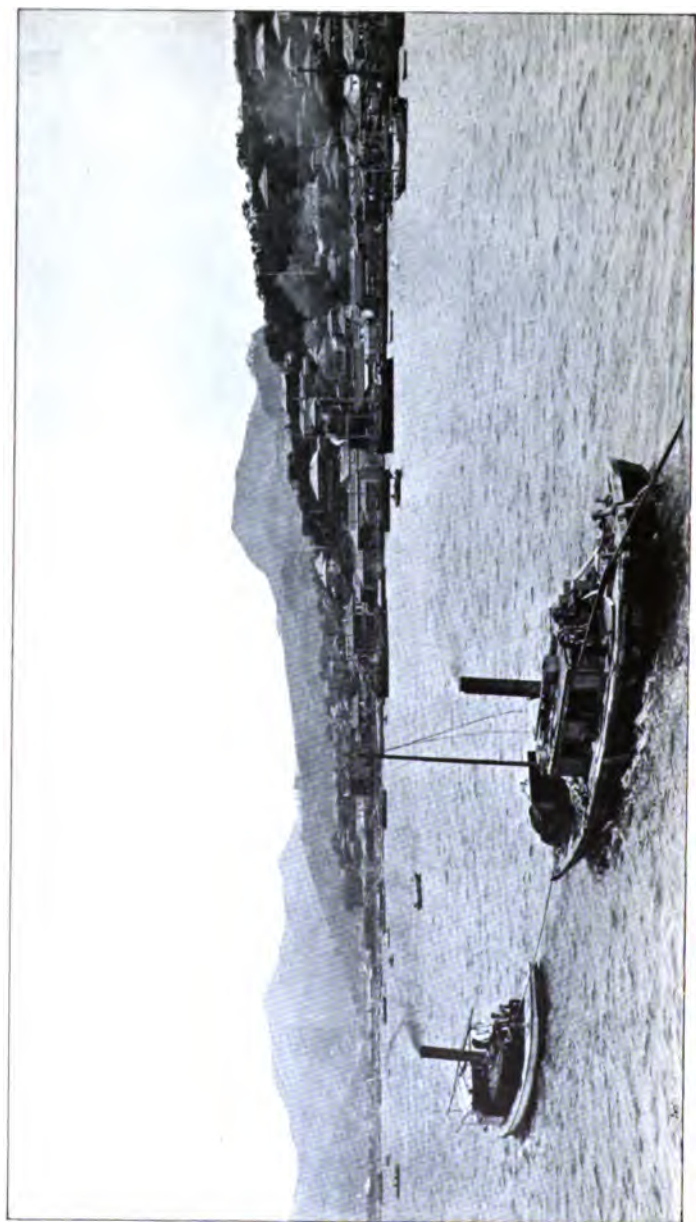
The naval recruiting districts are identical with the military divisional districts, of which, as has been explained in a previous chapter, there are at present, and until the new *post-bellum* scheme of redistribution takes effect, only thirteen. Preference is given to volunteer recruits over conscripts, as many as half the seamen in the Japanese Navy being volunteers, who join the naval service with a view to making it their profession. The conscripts are recruited at the age of twenty, and pass four years on the active list, then three years in the first reserve, and finally five years in the second reserve—giving a total of twelve years' service altogether. Volunteers are taken between the ages of seventeen and twenty, and pass eight years on the active list, after which they are relegated for four years to the second reserve. Both volunteers and conscripts can be called out for active service up to the age of forty.

The officers are selected by competitive examination between the ages of sixteen and twenty, the successful candidates being sent for a three years' course of study to the naval school at Etajima, an island situated near Kure naval station. The total strength of officers and men of the Japanese Navy in commission is about 86,000.

Such is a brief account of the organization, strength, and resources of the Japanese Navy.¹ Like the Englishman, the Japanese has a natural turn for nautical life, and finds his home on the sea. His fighting value has been tested by two maritime wars, in both of which his imperturbable coolness under fire and stoical disregard of death have gained for him the admiration of the whole world. With so fine a material to work upon, there would seem to be no limits to the future expansive capabilities of the Japanese Navy, and the next decade will certainly witness great and astonishing developments. For the past forty years Japan has been recovering the leeway which she lost owing to the policy of her rulers who preceded the Revolution. Now that all inceptive difficulties have been overcome, time and money are alone required to enable her to take the same position in the East as Great Britain does in the West. Much will depend upon the energy with

¹ A good account of Japanese naval organization will be found in the book before mentioned, 'Japan in the Beginning of the Twentieth Century,' published by the Imperial Japanese Commission to the Louisiana Exhibition in 1904.





NAGASAKI HARBOUR

From a photograph by T. M. Grundy, Esq.

which she develops her mercantile marine, upon which the sea power of a nation depends even more than upon combatant naval strength. Foreign trade and naval enterprise go hand - in - hand. Without merchant shipping a navy only becomes an unproductive incubus to a country. With her incomparable geographical position, magnificent harbours, and immense maritime resources, Japan should have no difficulty in outstripping all rivals in the race for commercial supremacy, and in securing as her lawful heritage the carrying trade of the whole Far Eastern world. The British people will watch her efforts in a spirit of sympathetic encouragement due to the natural bond which links the two Island Empires to the ocean, as well as to the material interests which have united them by a political alliance.

CHAPTER XVI

THE RULERS OF JAPAN

WHO and of what kind are the rulers of Japan, the men who first accomplished, and have since consolidated, the Revolution of 1868, who have guided the country through two great national wars, who in the short space of thirty-five years have raised Japan from the condition of barbarous and dis-integrated feudalism to the dignity of a civilized Empire?

The central figure is the Emperor Mutsu-hito, the hundred and twenty-first of his line, who can trace his pedigree in unbroken continuity from the God-descended Jimmu Tenu, the first of the Mikados to establish authority over a united Japan 660 years before the birth of Christ.

Gifted with good ability and sound judgment, cultured, sensible, and hard-working, the Emperor possesses one striking characteristic of priceless value to a monarch—the power of judging other men's characters, and of choosing wise counsellors. A more talented and ambitious ruler—a Nobunaga, a Hideyoshi, or an Ieyasu—would hardly have come

through the throes of revolution with the same unanimity of approval which has marked the political changes introduced into the Government and social life of Japan since the suppression of the Shogunate and the restoration of the Imperial authority. From his earliest days—Mutsu-hito was only sixteen when he was called from his life of gilded seclusion to the real headship of the State—the Emperor has been surrounded by the best men available in Japan, and has placed unlimited trust in their ability to serve him. Some of those who first guided him through the revolutionary days—Iwakura, Sanjo, Okubo—are dead ; but others still remain—Ito and Okuma, Itagagi and Inouye, Yamagata and Oyama—and although, according to Japanese custom, with advancing years they make way for younger men, they yet continue in their capacity as Elder Statesmen to retain the confidence of the Emperor, who invariably consults them before giving orders to the actual office-holders charged with the duties of executive administration. Fortunately for Japan, the Emperor is only fifty-four years of age, having an advantage of ten to twenty years over the Elder Statesmen, who, as they pass away, will leave him to hand on the traditions of the Revolution to the younger generation of politicians who succeed them as his counsellors.

The Emperor of Japan reigns, but does not govern. True to the oath which he swore in 1868, he allows 'all things to be determined by public

discussion.' Though parliamentary government in Japan is still only nominal, and party government only in its infancy, power is not exercised by the Emperor, nor even by his Ministers, but by the oligarchy of selected Elder Statesmen who surround the throne. In this way the principle of family control is extended to the government of the State. The Emperor regards himself as the head of the family of Elder Statesmen, without whose advice he comes to no decision and takes no action. The Elder Statesmen are the real rulers of Japan, the Emperor being only the titular head, and possessing no more independent authority than he used to have before the abolition of the Shogunate.

The most powerful of the Elder Statesmen is Marquis Ito, who has been four times Prime Minister, and is now President of the Privy Council. Sixty-five years of age, but still fresh of mind and vigorous in body, suave of manner yet strong in action, a man of wide sympathies and far-reaching ideas, and a tremendously hard worker, Hirobumi Ito has outstripped all his contemporaries, including political leaders like Counts Inouye, Okuma, and Itagagi, and military chiefs like Marshals Yamagata and Oyama, proving himself to be the survival of the fittest of the revolutionary statesmen. In Tokyo, Marquis Ito holds a position less defined, but not less powerful, than that formerly held by the Tokugawa Shoguns. No Ministry can be formed without Marquis Ito's consent, and no Cabinet can endure without his support. He is at

present Resident-General in Korea, where he keeps a firm grip on the actions of the Emperor Heui, and an equally firm grip on home politics. That he is able to carry on this dual rôle successfully, and still retain the first place near the ear of the Mikado, is a testimony to the remarkable power of this very remarkable man.

A passionate lover of peace, Marquis Ito represents the constitutional side of the revolutionary movement, as opposed to the advocacy of military developments. Himself a member of the powerful Choshu clan, he has used the influence of his high family connection for the benefit of Japan as a whole, and not for that of his own clansmen. It was he who drafted the Constitution of 1889, which sounded the death-knell of reactionary intrigue, and it was through his influence that conscription was established, putting an end to the pretensions of the Samurai to monopolize the privilege of bearing arms and of fighting for their country. The Treaty of Portsmouth was due to Marquis Ito. No one knew better than he did what risks for Japan a continuation of the war involved, and at a critical moment of the negotiations he determined, in the teeth of popular clamour, to set the highest example of patriotic statesmanship which the world has ever seen and throw the deciding weight of his authority into the scale labelled 'Peace.'

During the course of a private visit to Marquis Ito, when the writer ventured to express his fears

lest the army should get out of hand and require the stimulant of another war to preserve its fighting spirit, the Marquis controverted this view in the most emphatic language, which is reproduced in the public interests.

‘You may dismiss all fear on this point,’ said His Excellency. ‘Japan wants peace, and not only wants it, but, unless attacked, means to have it. I cannot, of course, answer for other countries, but I can for Japan, because I know the views of the Emperor, of his Ministers, and of the whole Japanese people. These views may be summed up in two words: “Peaceful expansion.” The loyalty of the army may be absolutely depended on. The army is the servant, not the master, of Japan, and a very good servant too. Our soldiers have just returned from a triumphant campaign, and they will now rest on their laurels so nobly gained, without seeking to fight again, unless their country is attacked. True military spirit depends on true discipline, and as long as the present standard of discipline is maintained there is no fear of the spirit of the army dwindling. The outlook,’ His Excellency went on to say, ‘is in my judgment peaceful and promising. Now that Korea is placed under the undivided protection of Japan, I have great hopes of its future development. My mission to Korea is to help the Emperor in the task of regeneration, and His Majesty knows he can command my services, which are always at his disposal. Japan’s relations to Korea are much the same as are those

of England to Egypt, and I hope with patience and consideration to be able in time to accomplish some of the results which have made Lord Cromer's Egyptian administration so conspicuously successful.' Referring to the rumours of Chinese unrest, the Marquis added: 'I admit there is some unrest in China, largely due to the Chinese students who come to Japan to learn our methods, and then return to their own country after a year or two under the belief that they know enough to follow our example and stand on their own feet. A great nation like the Chinese Empire cannot regenerate itself in this way. Salvation must come from home, not from abroad. I would rather see the Chinese educate themselves at home, and then go to Japan and other countries to give the finishing touch to their studies. No doubt China will discover this for herself. In any case the influence of Japan will always have a steadying tendency, helping to tranquillize the unrest which is due to a sudden and unconsidered demand for education according to Western notions. I am confident,' said the veteran statesman in conclusion, 'that these ideas will be reciprocated in England, and that the alliance between the two countries will be a guarantee that the future expansion of all Far Eastern nationalities will take place on peaceful lines.'

The publication of the above remarks will be useful in disabusing the public mind of any apprehension as to the possible future attitude of Japan should the 'yellow peril' danger in China become

so organized as to menace the lives and property of foreign settlers in Chinese territory.

Although Marquis Ito is himself a convert to party government, he has not yet succeeded in educating the bulk of Japanese politicians up to the necessary standard of public duty to enable the system to be successfully adopted. The attempt to form a Cabinet on party lines failed both in 1898 and in 1900. The late Ministry (Katsura) was formed on a non-party basis, and so was the present one under Marquis Saionji. The chief drawback to the establishment of parliamentary government in Japan is the fact that parties in the Diet shape themselves on personal rather than political lines, and that they are in consequence too numerous and fractional to admit of any one party coming into office with sufficient parliamentary supporters to stand on its own feet. There is really no difference in principle between the Seiukai political association, which was founded by Marquis Ito on a Liberal basis in 1900, and which is now led by the present Prime Minister, and the so-called Progressive party, which constitutes the official Opposition under Count Okuma. What prevents the amalgamation of the two groups is the fact that the Seiukai association is nearly exclusively composed of members of the great Satsuma and Choshu clans, who engineered the Revolution, while the Progressive party is made up of men who, not being 'clansmen,' will not acknowledge the claim of the clan leaders to dictate their policy to them. Count Okuma

separated from Marquis Ito and founded the Progressive party in 1882 for no other reason than this, and because his honest independence of character would not allow him to bow before the masterful personality of the great Choshu clansman.

There is every reason to predict a long life for the Saionji Cabinet, which contains some men of great administrative ability.¹ It has so far been supported in the Diet by the whole strength of the Seikai members, numbering some 140 voters, and by a new political group called the 'Essentials,' who number 80 voters, thus giving the Government a working majority of 60 in a House of 879 members. The Progressives number less than 100, and the 'Independents' about 60. Marquis Saionji is an intimate friend and political ally of Marquis Ito, and he, moreover, commands the confidence of Moderate men in both Houses of Parliament. For the time being the influence of Marquis Ito dominates the situation, and long may this be the case. What is above all things to be deprecated is a repetition of the political *impasse* of 1898, when, owing to the jealousy of rival statesmen, the formation of a constitutional Ministry became impossible, and the Emperor was compelled

¹ Notable among these may be mentioned Mr. Nobuaki Makino, formerly private secretary to Marquis Ito, and Minister of Education in the present Cabinet. Mr. Makino is a son of the late Okubo, one of the greatest of modern Japanese statesmen.

to fall back on a Cabinet presided over by Marshal Yamagata. Though a kindly man and a good soldier, the Marshal is a somewhat reactionary politician, and during his tenure of office the cause of parliamentary government was thrown back rather than advanced. The same objection applies to some other political soldiers, who are better employed in their professional duties than as civil Ministers of State. In Japan, as in other countries after a successful war, care must be taken to maintain the supreme authority of the civil Government and check any tendency to the exaltation of militarism, which would tempt the nation to adopt an aggressive policy, dangerous not only to its own interests and to the alliance with Great Britain, but to the peace of the whole world.



VICTORIA TOWN, VANCOUVER ISLAND
A Far West Outpost of the Empire

CHAPTER XVII

WHAT CANADA IS DOING FOR THE EMPIRE

VANCOUVER town, where the notes for this chapter were collected, must not be confounded with the island of the same name christened after Captain Vancouver, the naval officer who was sent to the Pacific coast of Canada in 1785 to establish British sovereignty, which was disputed at the time by the Spanish Government. Vancouver town is on the mainland of British Columbia, the capital of Vancouver Island being Victoria, which is also the capital of the province. Victoria was a flourishing city long before the town of Vancouver existed. The first settlers on the island came by sea before the opening of the passes over the Rocky Mountains, and in the ordinary course of natural selection Victoria, with its beautiful harbour, became the seat of government. The advent of the Canadian Pacific Railway to the coast changed the circumstances of the case. From an insignificant fishing village Vancouver rose in 1885 to the dignity of a town, and now has a population of over 50,000,

while Victoria contains less than 80,000 inhabitants. Outstripped in population, Victoria will, none the less, remain the political and residential metropolis of British Columbia, while Vancouver and neighbouring seaport towns, as they arise, will more and more absorb the commerce, industry, and overseas trade of this Far Western province of the British Empire.

Vancouver town is the western terminus of the most important strategic railway of the Empire. What the Suez Canal does for British interests in the East the Canadian Pacific Railway does in the West. Just as the Canal links the Mediterranean Sea with the Indian Ocean, so does the railway through Canada join the Atlantic to the Pacific, only much more securely, since the junction is exclusively British. When Sir John Macdonald proposed the construction of the Canadian Pacific Railway, he did so principally for reasons of Imperial policy. The words which he used at the time were almost identical with those of Mr. Disraeli in the House of Commons when he was defending the purchase of the Suez Canal shares: 'I recommend this great undertaking, not on financial grounds, though I believe its future financial success is assured, but for high reasons of State policy, because the railway when completed will join together the West and the East of the Dominion of Canada, will secure a predominant share of the trade with China and Japan, and will provide a safe passage for British troops should the

Mediterranean route ever become blocked by the enemies of Great Britain.'

Since these words were spoken the naval strength of England has been nearly trebled in comparison with that of the other Powers of Europe, and her maritime supremacy in the Mediterranean is at present undisputed. None the less have Sir John Macdonald's words proved to be true. The day after the last rail was placed on the Lake Superior section of the Canadian Pacific Railway, a detachment of artillery from Montreal was sent to reinforce the Dominion troops then assembling near Winnipeg for the suppression of the Riel rebellion. The first train to traverse the entire route of the railway from ocean to ocean was loaded with naval stores, destined for the Imperial dockyard at Esquimaux. While the writer was in Winnipeg, a train passed the town on its way from Quebec to Vancouver, carrying for the first time the China mail, which has hitherto been taken through the Suez Canal to Shanghai by steamers belonging to the Peninsular and Oriental Steam Navigation Company. If, as seems certain, the directors of the Canadian Pacific Railway Company can fulfil the new contract which was concluded in 1906 with the Postmaster-General, the English mails will reach Shanghai in twenty-seven and a half days, as against thirty-two days by the London - Brindisi - Suez route. Yokohama is now only twenty-two days distant from London. When steamers equal in speed to the new Atlantic Empress steamers are

placed on the Pacific station, a further reduction of this time can easily be effected. Up to Singapore, and possibly as far as Hong-Kong, the Suez Canal route may still be able to hold its own as a mail route, but beyond Hong-Kong it can no longer compete with the way through Canada.¹

The dominant position of the Canadian Pacific Railway is the triumph of the statesman over the political economist. When the contract between the Canadian Government and the syndicate formed to finance the new railway was published in 1880, it was attacked on all sides as being antagonistic to those principles of bureaucratic finance which successive Permanent Secretaries of the Treasury had inherited from their predecessors, and which Mr. Chamberlain subsequently did so much to controvert when he presided over the Colonial Office. The arguments used by Mr. Gladstone, when he opposed the purchase of the Suez Canal shares, were again brought to bear against the

¹ If the distinguished chairman of the Peninsular and Oriental Steam Navigation Company would pay a visit to the Far East, he would be as painfully surprised as the writer was to hear the outspoken criticism which is everywhere passed by his own countrymen on his administration of the Company's affairs. This historic and once popular steamship company is steadily losing its passenger traffic, which is being transferred to German and Japanese steamers, owing to the supineness of the directors and their disregard of all representations made by subordinate officials on the spot. Unless wiser counsels prevail, the Company will lose not only its passenger traffic, but also the subsidy for carrying His Majesty's mails.



VIEW OF THE ROCKY MOUNTAINS FROM THE CANADIAN PACIFIC RAILWAY
NEAR GLACIER HOUSE STATION

From a photograph by T. M. Grundy, Esq.

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alliance between the Government and the capitalists, made for the purpose of carrying through an undertaking which would ultimately benefit both the State and the public. Sir John Macdonald and his colleagues fortunately stood firm. The company received a cash subsidy of £5,000,000, and a land subsidy of 25,000,000 acres. Two sections of the line, the western (Kamloops to Vancouver, 215 miles) and the lake section (Lake Superior to Winnipeg, 406 miles), were constructed by the Government and handed over to the company free of charge. This combination of State effort and private enterprise overcame all obstacles, and in six years from the date of signing the contract the line was opened for through traffic from ocean to ocean—five years before the stipulated time.

Since its opening, the history of the Canadian Pacific Railway has been one of almost unbroken prosperity. With the exception of the years 1894-1896, when there was financial depression all over the American Continent, the directors have met all liabilities due to working expenses, dividends, and mortgages from revenue earnings. The dividend on the ordinary stock, which was 8 per cent. in 1886, is now 6 per cent. The year ending June 30, 1906, has been one of unexampled prosperity. After paying expenses of every kind, a sum of £1,640,000 has been carried to account. What the directors propose to do with the surplus has not yet transpired, but will doubtless be the subject of inquiry at the annual meeting, to be held

in Montreal on October 8, 1906.¹ A dividend of 8 per cent. might have been declared, one of 7 per cent. was expected, but no advance was made on the dividend of 6 per cent. as it now stands. The company still holds some 17,000,000 acres of land, valued at £80,000,000, besides having numerous hotels all along the line of railway, which are working at an annually increasing profit. The ordinary shares, which were below par in 1899, now stand at 188. If there is no relapse from prosperity, the time can hardly be far distant when the shares will reach 200,² and when the shareholders will receive a dividend of at least 10 per cent. From being the 'prodigal son' of the Dominion Government, the Canadian Pacific Railway Company, by a combination of patriotic effort, private enterprise, and prudent administration, has secured the confidence of the public, and is now one of the most valuable assets of the British Empire.

The lead given by the Canadian Pacific is being followed by two other companies, the Grand Trunk Pacific and Canadian Northern, both of which have projects well in hand for transcontinental railways. Neither of these two lines will compete with the Canadian Pacific Railway except in regard to the

¹ Since this chapter was written the meeting referred to has been held, when the president, Sir Thomas Shaughnessy, announced that an extra dividend of 1 per cent. would be paid to the shareholders out of the land revenues of the company, thus placing the stock on a 7 per cent. basis.

² On December 29 last the shares were quoted at 200½.

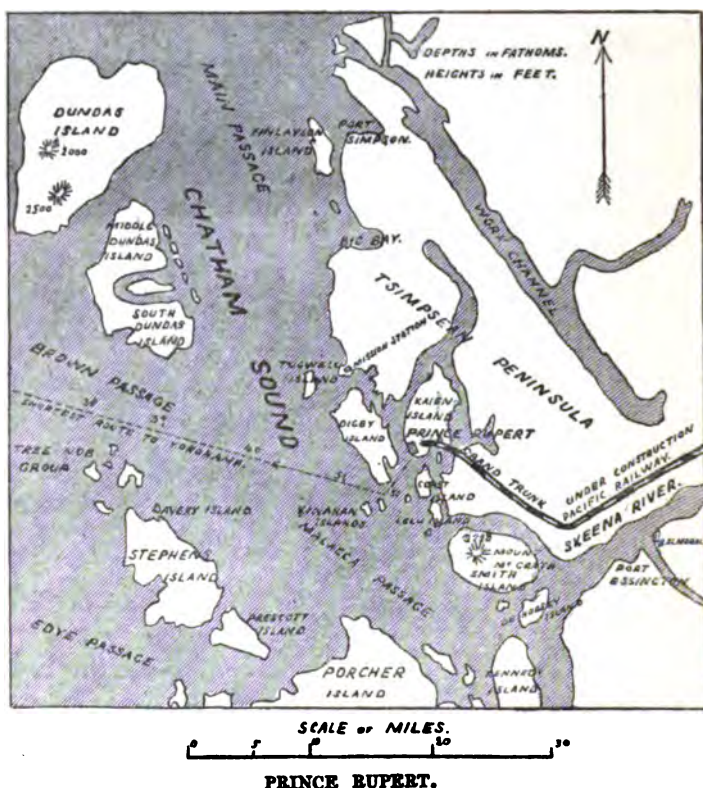




VANCOUVER TOWN, BRITISH COLUMBIA

transportation of mails, since they are to traverse territory for the most part untouched by previous railway construction. Starting from near Moncton, on the south shore of the Gulf of St. Lawrence, the new Grand Trunk line will pass through Quebec, and then traverse the northern part of the Province of Ontario to Winnipeg, whence it will take a north-westerly route through Edmonton and thence over the Yellow Head Pass in the Rocky Mountains to its Pacific terminus at Prince Rupert, which is twenty-five miles south of Port Simpson, and some 500 miles north of Vancouver. Except at Winnipeg, the new line will keep away from the Canadian Pacific Railway at an average distance of about 200 miles. The total cost of construction will amount to about £25,000,000. The Dominion Government have undertaken to construct the eastern section from the Atlantic to Winnipeg, and the company the western section from Winnipeg to the Pacific coast. Work is now in progress all along both sections of the line, and it is expected that the new railway will be open for traffic from coast to coast within five years from the present time. When finished, the eastern section will be handed over to the company on a lease of fifty years, for the first seven of which no charge will be made, while for the remaining forty-three years the company will be required to pay 8 per cent. interest on the cost of construction. The Dominion Government is giving certain

financial help, which need not be detailed, to the company for building the western section of the line; while the Provincial Government of Ontario have agreed to give the company a grant of



670,000 acres of land in consideration of their undertaking to construct a branch from the main trunk line to the head of Lake Superior.

Yokohama is about 420 miles nearer Prince Rupert than Vancouver, the land journey from Quebec to Prince Rupert being some 220 miles

longer by the Grand Trunk Pacific route than by the Canadian Pacific railway to Vancouver. The through journey from London to Yokohama will thus be about 200 miles shorter by the Quebec-Prince Rupert route than by Quebec and Vancouver. Powers have been obtained by the Grand Trunk Pacific Company under the Act of 1906 to build branch lines to Dawson in Yukon and to Fort Churchill on Hudson Bay; but no construction work will be undertaken for branches till the trunk line has been completed from ocean to ocean. By that time arrangements will doubtless have been made for ocean traffic from Prince Rupert to the East.

Under the energetic direction of Mr. William Mackenzie, the Canadian Northern Railway Company is closely following the lead of the Grand Trunk Pacific. Starting with a line from Port Arthur at the western end of Lake Superior to Winnipeg, two extensions have been completed this year, one from Winnipeg to Edmonton in the new province of Alberta, the other from Winnipeg to Prince Albert in Saskatchewan. From Edmonton the intention is to carry the line to the coast, while arrangements are already well advanced for a connecting-line from the Gulf of St. Lawrence to Port Arthur, thus giving a third means of through communication between the Atlantic and the Pacific. Mr. Mackenzie's plans include the further project of connecting Hudson Bay with his main railway system by branch lines, one from

Prince Albert to Fort Churchill, the other from Toronto to James Bay, at the southern extremity of Hudson Bay. This scheme when carried through will provide another outlet for the annually increasing export of grain from the North-West Provinces to Europe. At present, owing to the geographical position of the Manitoba lakes, which run for nearly three hundred miles north and south athwart the road from west to east, the whole of the grain has to pass south of the lakes through Winnipeg, which is becoming more and more congested every year with the growing traffic.¹ Relief is inevitable, and the shortest way of bringing it is by opening up communications with Hudson Bay, which is free from ice for four months in the year.

Yet another project exists for an ocean-to-ocean railway, the Trans-Canada Railway Company having been granted a charter in 1895 for a northern line from Quebec to Port Simpson. The line would pass about eighty miles south of Hudson Bay, to which a branch would be made, and then find its way to the West Coast by a route north of Lake Winnipeg, running through the vast lake districts in the northern parts of Alberta and Saskatchewan. No final steps have yet been taken to carry out

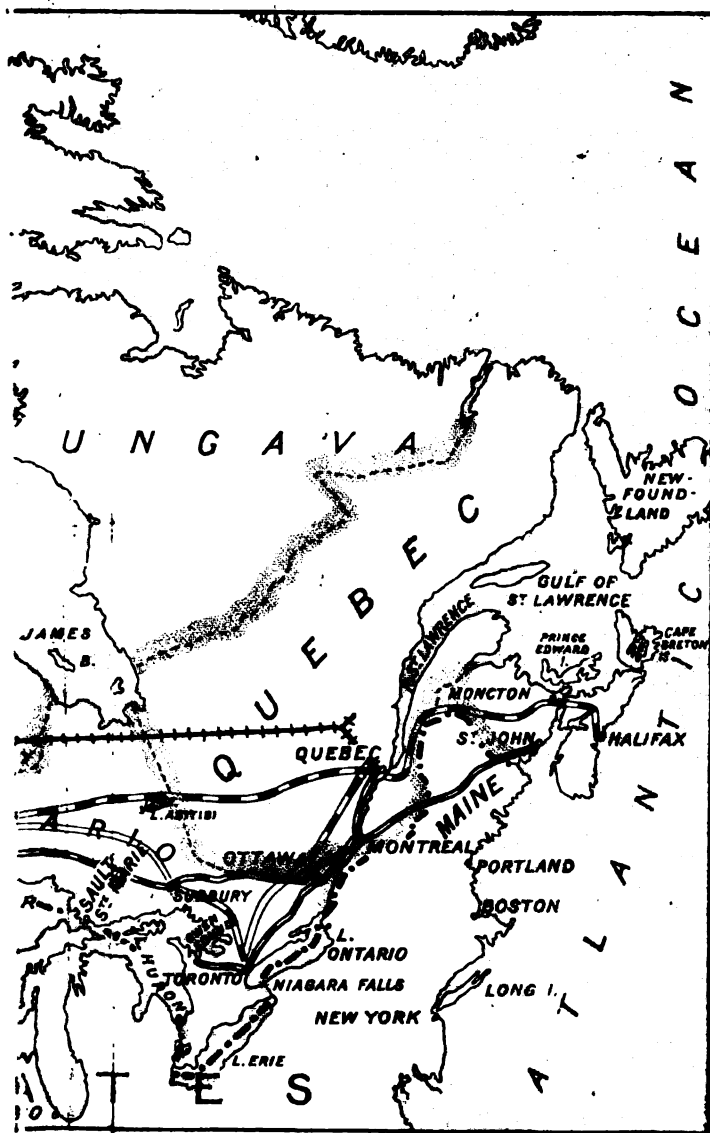
¹ Some idea of the prospective increase of the existing congestion at Winnipeg may be formed when we learn from this year's official returns that, with less than 10 per cent. of their land under cultivation, the provinces of Manitoba, Saskatchewan, and Alberta produced as the result of last year's harvest nearly 95,000,000 bushels of wheat.

CANADIAN PACIFIC RAILWAY

CANADIAN NORTHERN RAILWAY

PROPOSED EXTENSION OF D²

GRAND TRUNK PACIFIC (UNDER CONSTRUCTION)



7
118
272
177
177
7
1
1
1

this ambitious proposal, but the company promoters have preliminary arrangements well advanced.

When Canadians are asked what they are doing for the Empire, they point with legitimate pride to these gigantic railway undertakings, one of which has already proved an Imperial success; another is rapidly approaching completion; while a third is within measurable distance of realization. If British shipping companies in the East are lacking in enterprise, this is not the case in the West, where Canada is working with all her might to increase the means of communication across her territory, and across the two oceans which her territory divides. Railway construction and ship-building are going on with simultaneous strides. 'I want,' said Sir Wilfrid Laurier, speaking early in the year at Toronto, 'the Canadian producer to secure the full advantage of the 400,000,000 market of China and Japan; and I hope to live long enough to see the Canadian Pacific and the Grand Trunk Railways sending their trains to the West Coast full of passengers, wheat, and flour, and bringing back tea and silks and return passengers for transmission to all parts of the civilized world.' This is the correct note to strike, and it was echoed last autumn by Lord Grey at Quebec. The colonies of Great Britain can best help the Empire, not by voting contributions of money, over the expenditure of which their Governments have no constitutional control, but by concentrating

effort on public works of strategical utility, providing secure harbours for ships of the Imperial fleet, and organizing the manhood of their countries for purposes of self-defence, and, when necessary, of oversea co-operation. How far Canada is fulfilling these obligations of Imperial duty will be further considered in the next chapter, which was written at Quebec after visits had been made to the chief centres of agricultural, industrial, and military interest on the way through the Dominion, as well as to the naval bases of Esquimaux and Halifax.

CHAPTER XVIII

THE MILITARY WEAKNESS OF CANADA

No greater contrast can be conceived than that between the western and the eastern terminus of the Canadian Pacific Railway, Vancouver and Quebec—Vancouver more English than England, Quebec more French than France; Vancouver a pushing, bustling, crowded seaport town, Quebec the old-world survival of a medieval stronghold, the scene of one of the most romantic chapters in French and English history, which will keep alive for all time the chivalrous memory of the two great rival soldiers who fell outside its walls. The purpose of this chapter, however, is not to indulge in historical reminiscence, but to investigate the conditions under which Canada of the present day is taking her place as the largest, nearest, and most powerful of the confederated colonies of Great Britain.

What are the military resources and armed strength of Canada? how far are her frontiers secure from attack? and to what extent are the Canadian people responding to the calls of Imperial defence?

During the past thirty-five years the policy of

the Home Government has been to require all self-governing colonies to provide for their own local defence, Imperial troops only being stationed in colonial territory when their presence was required by strategical objects other than those of local concern. In Canada up to the present year, when they were replaced by colonial troops, Imperial garrisons were stationed at the fortified harbours of Halifax on the Atlantic, and at Esquimaux on the Pacific coast. Till recently Halifax has always been regarded as an important Imperial naval base, large sums of money having been expended from time to time to bring its fortifications and armament up to date. When, under Sir John Fisher's redistribution scheme, the North American and West Indies squadron was reduced to five cruisers, the Admiralty decided that it was no longer necessary to maintain two naval stations in the North Atlantic Ocean, and as Bermuda occupied a more central position for general naval purposes than Halifax, the latter was given up. Both dockyard and fortifications have now been handed over to the colonial authorities. Since Canada has no navy, the gift was in the nature of a white elephant, and, failing other use, the dockyard establishments have been given to the Department of Marine and Fisheries, 'to serve as a base for its operations in connection with aids to navigation.'¹ The British nation certainly places

¹ Extract from Lord Grey's speech at the opening of the Dominion Parliament, November 22, 1906.



HALIFAX, HARBOUR AND DOCKYARD
Lately abandoned by the Admiralty as a naval base

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more trust in Admiralty than War Office administration, since the most powerful maritime fortress and naval base on the American Continent has been abandoned by a stroke of the official pen without a single word of justification being demanded by the public or offered by the Government.

Esquimault is an easily defended natural harbour



ESQUIMAULT HARBOUR.

situated on Vancouver Island about two miles west of Port Victoria. When the Canadian Pacific Railway reached the coast in 1885, Esquimault was selected as a naval base, batteries being constructed and barracks built to accommodate the garrison of regular troops detailed from England. It will be within the recollection of most people that the cost of fortifying Esquimault formed part of that expenditure on coaling stations to which

Lord Randolph Churchill objected, and on account of which he resigned his office of Chancellor of the Exchequer early in 1887. The arrangement made at the time was that the Dominion Government should construct the batteries and the Home Government provide the barracks and armament, while the expense of maintaining the garrison was to be shared equally by the two Governments.

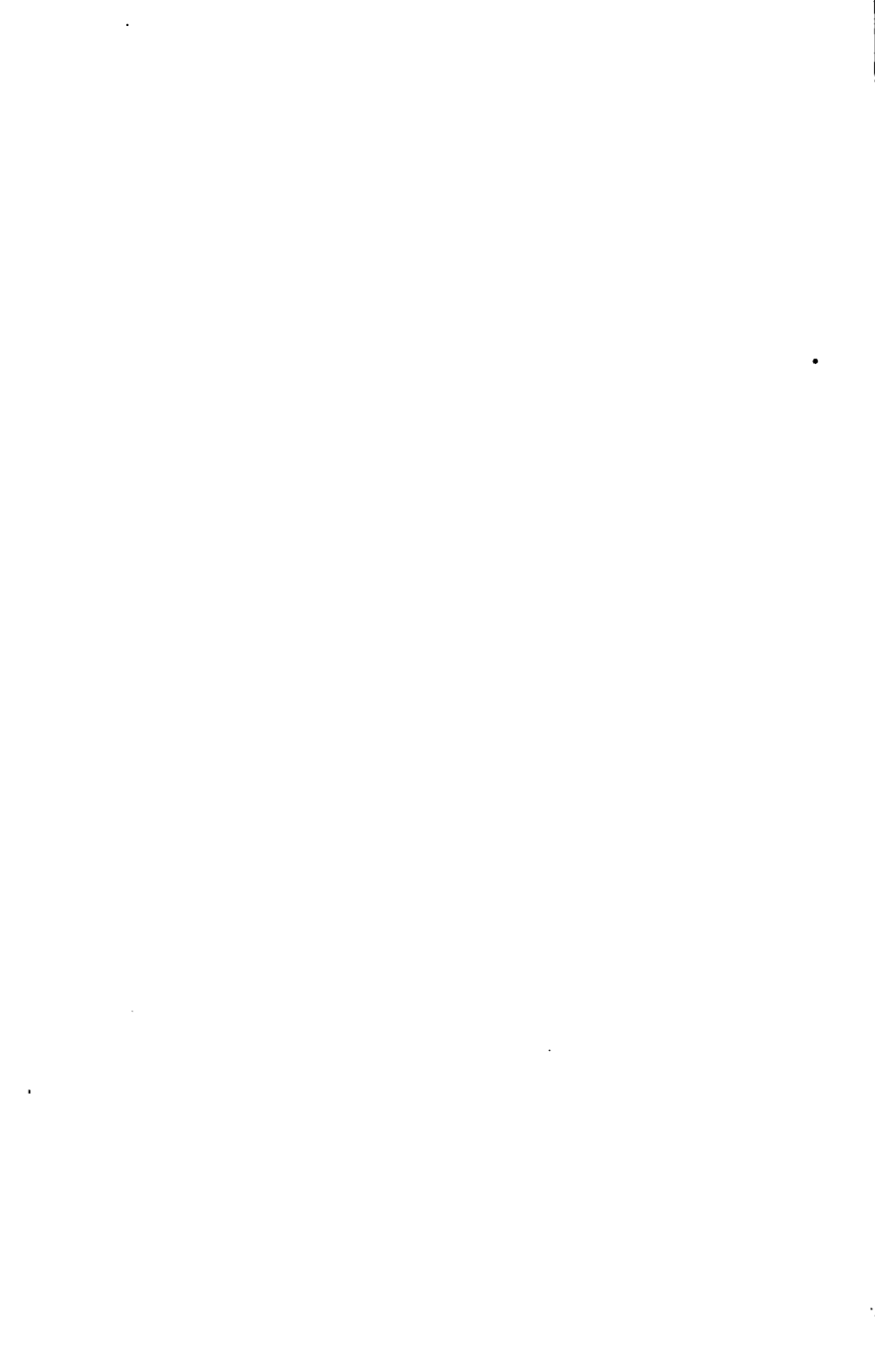
In 1902 the Dominion Government offered, through Canada's representatives at the Colonial Conference, which was held that year in London, to provide the garrisons of Halifax and Esquimaux as a Canadian contribution to the defence of the Empire. While accepting the offer in principle, the Home Government at first proposed that the garrisons should temporarily remain composed of Imperial troops, Canada agreeing to pay a lump sum of £200,000 a year for their maintenance; but Sir Wilfrid Laurier's Government objected on constitutional grounds to incurring expenditure over which they had no control, and the original proposal was eventually approved and carried into effect during the course of this year. With the exception of a few officers, who have been lent for duty to the Canadian Government for a period of two years, the whole of the Imperial troops have been withdrawn, and the local military authorities have now assumed full responsibility for the defence of the two fortified naval bases.

Some difficulty is being found in replacing the men of the Imperial garrisons. The original



ESQUIMAULT HARBOUR

Lately abandoned by the Admiralty as a naval base



permanent military force of the Dominion was under 2,000, and the numbers have to be doubled to provide the required garrisons. The Army Council in London offered the Canadian Government as many volunteers as could be obtained from the Imperial troops stationed in Canada before their withdrawal; but few men would consent to be transferred, nearly all preferring to go home with their corps. Permanent military service is unpopular among Canadians, who can do better in civil life on account of the demand for labour, and recruiting is proceeding slowly. The recruiting difficulty appears to have been incompletely understood when the Dominion authorities cut themselves off from Imperial aid. If the present policy of keeping up a standing army is adhered to, it will probably be necessary to send recruiters to England to raise men in the old country for service in the local Canadian army.

The original *raison d'être* of the fortifications of Esquimault was the naval pretensions of Russia in the Pacific. With the destruction of the Russian fleet the primary purpose of the fortifications disappears. The Admiralty have already abandoned Esquimault as a naval base, and have sold or removed all the dockyard plant and stores. Owing to this action of the Admiralty, suggestions have been made to dismantle the fortifications, sufficient armament only being retained for purposes of instruction of the Canadian Artillery and Engineers. The majority of Canadians, however, looking ahead,

and taking note of the alarming growth of the navy of the United States, disagree with the Admiralty policy, which is criticised as being based on opportunist rather than Imperial considerations. There is peace between Canada and America, but no love between Canadians and Americans. Their interests are antagonistic, not co-operative. In the impending struggle for commercial supremacy in the Pacific circumstances may arise which can only be controlled by a preponderance of naval strength on the side of Great Britain. Canadians are working with all their might in the interests of British trade to improve communications with the East; but commerce cannot flourish except under the ægis of naval protection. It is true that the harbours of Japan are now open to British ships of war; but this is only because the sea power of Great Britain is believed to be invincible. The first indication of weakness will sound the death-knell of the alliance, the aims of which are utilitarian, not sentimental. Whatever may be the arguments for abandoning Halifax, the existence of a naval *point d'appui*, an offensive and defensive base, on the west coast of the Pacific Ocean cannot fail to strengthen the diplomacy of the Empire, and add another link to the chain of posts which connect the scattered possessions of King Edward's dominions. It will be for the Canadian Government, in consultation with the Committee of Imperial Defence, to consider this question, not from the limited point of view of Russia's downfall, but having regard to the

possibility of future international complications which it is the function of Imperial statesmanship to foresee.

The armed force of Canada consists of a permanent force which, under the Canadian Militia Act, may be raised to 5,000, but which at present only numbers some 2,000, and an Active Militia of about 88,000 officers and men.¹ The permanent force always remains under arms; the Active Militia are only called out for sixteen days' training in the year. So large a permanent force as 5,000 is undesirable, and would not be necessary if Canadians would recognise the duty of personal service, and submit to compulsory military training in the Active Militia. The conditions of life in Canada do not favour the maintenance of a standing army which cannot be recruited locally and will have to be filled with mercenaries. Sir Frederick Borden, the Minister of Defence, has more than once spoken publicly in favour of universal Militia service; but his views have only met with cold support from his colleagues and in the country. Canada pays nearly £1,100,000 per annum for its military force of 40,000 men and 100 guns. For a smaller annual cost Switzerland can put in the field nearly 300,000 trained militiamen, with 360 guns. The Swiss system is favoured by many thoughtful Canadians, and seems specially adapted to the needs of the country.

¹ The actual establishments fixed for the current year were permanent force 4,677, and militia 44,801.

The military organization of the Canadian forces is on the plan of that lately adopted at home. There is a Militia Council, composed of the Minister of Defence as President, the Deputy Minister as Vice-President, four military members who hold offices corresponding to those held by the military members of the Army Council, and one finance member. After Lord Dundonald's resignation the office of Commander-in-Chief was abolished, and General Lake, who was sent out to succeed him, occupies the post of Chief of the General Staff and First Military Member of the Council. The other military members of the Council belong to the Canadian forces. Outside the Militia Council is an Inspector-General with three assistants, their functions being similar to those of the inspectorate staff at home. The territory of the Dominion is divided into six army commands, which are organized as under :

Western Ontario (Military Districts 1 and 2).

Headquarters, Toronto.

Eastern Ontario (Military Districts 3 and 4).

Headquarters, Kingston.

Quebec (Military Districts 5, 6, and 7). Headquarters, Montreal.

Maritime Provinces (Military Districts 8, 9, and 12). Headquarters, Halifax.

North-West Provinces (Military District 10). Headquarters, Winnipeg.

British Columbia and Yukon (Military District 11). Headquarters, Victoria.

Each of these army commands has a member of the permanent force as commander, with a quota of troops belonging to that force, and the Active Militia corps belonging to the districts included in the command. Most of the troops are concentrated in the populous districts of Ontario, Quebec, New Brunswick, and Nova Scotia, not for strategical reasons, but for the convenience of the *personnel*. In the North-West Provinces and in British Columbia there are very few organized bodies of troops. Winnipeg and Victoria are headquarter points for concentration, but between these two centres, which are nearly 2,000 miles apart, no organized defence of the frontier can be said to exist.

The Canadian Pacific Railway has the strategical defect of running for nearly its whole length close to the international frontier. To provide for the effective defence of this line of railway, 8,000 miles long, would, under existing conditions, be an impossible task. As matters now stand, in the event of hostilities with the United States, the line could be raided with impunity at almost any point of its course west of Winnipeg. The duplication of communications by means of the Grand Trunk Railway will improve a situation which for the time being is entirely at the mercy of the United States; but even this line will not be safe from attack unless steps are taken, as the population increases and resources become developed, to insure its security by precautionary military measures.

The question is often asked as to whether dependence can be placed on the loyalty of the French population of Canada in an Imperial emergency. The census of 1901 assessed the number of French Canadians at 1,649,871, of whom 80 per cent. were concentrated in the province of Quebec. The French, therefore, number about 80 per cent. of the whole population of the Dominion, and if their loyalty was doubtful, the presence of so large an alien population in a British colony would be a factor of uneasiness. Happily there is complete contentment among all French Canadians with the political conditions of their existence. The Constitution is based on the Quebec Act of 1774, an Imperial Act of Parliament, which is regarded as the Magna Charta of French Canadian liberty, inasmuch as it conceded large powers of self-government, which have since been fully developed, while it recognised the free practice of Catholic worship and the rights of denominational Catholic education. It is true there is no race assimilation between French and English colonists either in the province of Quebec or elsewhere in Canada; but it is equally true there is no racial rivalry. The French-born Canadian of the eastern provinces can hardly be expected to share the growing Imperial sentiment of the stalwart British colonist of the west; but his loyalty to his Canadian nationality is unquestionable, and any attempt to bring Canada into the United States fold either by the process of peaceful absorption,

or by coercion, would be resisted by the French Canadian as strongly as by his fellow-subjects in British Columbia. While in Quebec, the writer had opportunities of verifying the above statements by conversations with French Canadians, chief among whom it may be permitted to mention His Honour Sir Louis Jetté, who fills his high office as Lieutenant-Governor of the province of Quebec with a dignity and consideration which are the hereditary characteristics of Legitimist descent.

While the people of Canada are not wanting in individual military spirit—there are 426 rifle associations and 146 cadet corps in the country—they have little collective sense of duty in regard to the necessities of defence. This apathetic condition of public opinion is owing to the knowledge that there has been no threat of attack since the last war with America in 1812-1814. While Canada was poor and struggling she required no help from the Tenth Commandment. Growing wealth and prosperity are changing the conditions of her existence. *Crescentem sequitur cura pecuniam*. Patriotic Canadians rightly resent the idea of absorption, but they must not neglect to provide against coercion. A country with great aspirations ought not to remain dependent on the goodwill of a powerful neighbour. The silver streak of sea saves England from conscription; but the defence of a land frontier is only possible with the aid of a local conscript army organized on the basis of universal militia service. No statesman more loyal to the Empire

has ever ruled Canada than Sir Wilfrid Laurier, who proclaims his wish, whenever he speaks, to be the Minister of peace, not of war. Laudable as is this ambition, he would do well sometimes to remind his countrymen that Empire has duties as well as possibilities, and that the first duty of every self-respecting citizen is to defend his hearth and home, not by paying someone else to do this for him, but by placing his personal services at the disposal of the State, with a view to organized co-operative effort for the purpose of national defence.

CHAPTER XIX

CONCLUDING REMARKS

*‘Dis te minorem quod geris imperas;
Hinc omne principium, huc refer exitum.’*

NOTHING more impressed the writer of the foregoing chapters during his tour round the Empire than the latent strength of the movement which is everywhere showing itself in favour of Imperial union. This movement is not the manufactured product of political combination, but the spontaneous growth of a democratic sentiment which is deeply rooted in the hearts and minds of the people of Great and Greater Britain. Politicians who aspire to be leaders must take count of this sentiment, which requires recognition and demands direction. Imperial policy is happily removed from the narrow domain of local party politics. The clock has been set going from below by the people themselves, and no Minister, to whatever political party he may or may not belong, can put back its hands. From every quarter of the Empire the cry is going up for union—political, defensive, commercial union—as close as is consistent with the full development

of all-round self-government, which is the bed-rock of our Imperial power. It becomes the statesman's duty to guide this rising spirit of democratic patriotism by wise counsel and by prudent action. 'We are British, but with British concerns we have nothing to do. We are in an Empire, but not of an Empire.' This is the cry which has just reached us from the Far West town of Vancouver, and which gives expression to the prevailing sentiment of British people of all classes of society throughout the Empire.

'The British Empire,' said Sir Wilfrid Laurier, speaking during the course of last year at Toronto, 'means freedom, decentralization, and autonomy. It will live, and live for ever.' These were the words of an Imperial statesman who comprehends, as strongly as leading English statesmen do, the problem of the Empire. Federation, as that term is usually understood in its application to political combination, is unsuited to the conditions of Great Britain and her Colonies. The solution of the problem is not federation under a central Government, but confederation of groups of autonomous States under the British flag. The British Empire differs from the Roman not only in the size of its population, but in the geographical circumstances of its existence. The Roman colonies were concentrated within easy reach of the Mediterranean Sea, while those of Great Britain are scattered over the world. Roman government was directed as well as dictated from the Roman

capital. The tendency of British policy is more and more to decentralize authority, and at the same time to strengthen union. Once a powerful autocracy, the Roman Empire eventually broke up through the internal weakness of its bureaucratic government. The British Empire, deriving strength from political freedom, is gradually becoming—the words are those of Mr. Winston Churchill—a ‘solid league of free democratic countries,’ drawn together by ties of kinship, and united by the common sentiment of Imperial patriotism. ‘It will live, and live for ever.’

Reciprocity in commerce and defence will do more than anything else towards that political consolidation which is necessary for the high purposes of our world-wide dominion. The dust of a belated creed of political economy must not blind our eyes to the demands of Imperial citizenship. Patriotism is not an academical cult, but a self-respecting duty. Far from being selfish, commercial reciprocity will teach Mother Country and Colonies both how to take and how to give.¹ Not in the spirit of self-

¹ A good move in the direction indicated has just been made by Mr. Sydney Buxton in correspondence with Mr. Lemieux, the Canadian Postmaster-General, with a view to cheapening the rates of postage between the United Kingdom and Canada. In common with other English visitors to Canada, the writer found a scarcity of newspapers and periodicals from the United Kingdom, while, especially in the west, and at large towns like Vancouver, Winnipeg, and Toronto, there was a superabundance of American printed matter. The practical exclusion of English literature, due

interest must this lesson be learnt by responsible statesmen, but with the sole ambition of doing what is best for all communities living under the aegis of the Imperial flag. So, too, in matters of defence there must be better co-ordination of system, and more practical interchange of assistance. In return for naval protection afforded by the Imperial fleet, the Colonies can be reasonably required to provide safe harbours, docks, refitting stations, provision depots, and territorial communications. Behind these ever-developing material resources the manhood of each colony, organized on the basis of militia service, will act as a reserve for oversea use in time of Imperial danger. For such organization to be effective, a corresponding sacrifice of individual will, time, and liberty is indispensable; but, as has been pointed out in a previous chapter of this volume, Empire has its duties as well as its possibilities. 'What,' we may ask with Mr. Kipling, 'is your boasting worth, if ye grudge a year of service to the lordliest life on earth?'

to the high rates of postage in the United Kingdom, has had an undoubted Americanizing effect on the public mind of Canada to the detriment of the Old Country connection. Any loss to the home revenue caused by reduction of postage rates will find compensation in the increased facilities which such reduction will afford for the dissemination of English ideas, and in bringing Mother Country and colony nearer together, not only in heart and thought, but in business relations also. The conditions of the agreement between the two Postmasters-General are still under consideration as this volume is being prepared for the press.

The Empire, which was built up by individual energy, can only be maintained by co-operative effort. In this connection we have something to learn from our Japanese allies. The secret of Japanese efficiency is the marvellous genius of the people for organizing individualism for collective national use. Under the sympathetic administration of Mr. Chamberlain much was done in this direction during his eight years' tenure of office as Colonial Secretary. Following Mr. Chamberlain's lead, the Foreign Office, Admiralty, and War Office have now succeeded in their efforts to get into touch with the aspirations of Imperial democracy. In past years there has no doubt been some ground for the complaints made regarding the perfunctory manner in which the consular representatives of Great Britain used to perform their duties. The relations between British Consuls and British merchants are now marked by the same helpful understanding which exists between German and American Consuls and their countrymen who are engaged in commercial business abroad. Admiralty and War Office administration may have been sometimes open to similar criticism, but these departments of the State are now fully awake to a sense of right proportion in dealing with self-governing colonies. Local colonial Governments cannot with reason be asked to place their men, money, and material at the unquestioned disposal of the home authorities without being allowed a controlling voice. However deserving of public confidence

the War Office may be, no self-governing colony would submit to terms which strike at the fundamental principles of democratic government. Imperial union, as Lord Grey pointed out last autumn at Vancouver, must be based on self-respect, which should be the keynote to all negotiations between the Mother Country and the Colonies.

Meagre as has been the substance of the foregoing chapters, the hope remains that they may serve as the prelude to further study and closer knowledge. Ignorance acts as a drag on Imperial development. Through ignorance we lost our American colonies. The same cause kept the other colonies of Great Britain during long years of neglect as 'millstones round her neck.' Wider knowledge of our Colonial Empire shows how mutually beneficial can the connection be made between the Mother Country and her dependencies. No pains should be spared to impress this fact on the public mind, and to bring home to all classes the sense of Imperial responsibility which, repudiating any idea of military aggrandizement, finds expression in peaceful expansion directed by organized effort, and inspired by common purpose.

'No doubt but ye are the people—absolute, strong, and wise; Whatever your heart has desired, ye have not withheld from your eyes.

On your own heads, in your own hands, the sin and the saving lies.'¹

¹ 'The Islanders,' by Rudyard Kipling.

APPENDIX I

REDISTRIBUTION OF NAVAL STRENGTH

CONSTITUTION OF A HOME FLEET

THE following communication has been made to the fleet:

The Board of Admiralty have decided on the following alterations in the distribution of naval strength:

I. A distinct fleet will be constituted from the ships in commission in reserve, to be called the 'Home Fleet,' under the supreme command of a flag officer with the status of Commander-in-Chief and headquarters at Sheerness, but his functions will not interfere with those of the existing Commander-in-Chief at the Nore. This fleet will be in every respect organized with a view to enhancing its value as a fighting force, and battle practice and other fleet exercises not at present carried out by the reserve divisions will be introduced. The primary object aimed at will be sea-going efficiency, and for this purpose the cruises of the Home Fleet will be made as frequent as practicable.

II. A sliding-scale will be adopted in the strength of nucleus crews, so that the vessels first required in war will have the largest complements, whilst the vessels in 'special reserve,' instead of having no crews, as at present, will have adequate complements of officers and men to keep the propelling machinery and armament efficient. The vessels now in special reserve will be gradually replaced by other ships as they cease to be effective units of the Home Fleet. The Board of Admiralty will determine the nature of this sliding-scale of nucleus crews from time to time.

III. The distribution of ships between the present Channel, Mediterranean, Atlantic, and Reserve Fleets will be altered,

in order to permit of the strengthening of the nucleus crews and the organization of a Home Fleet as above described. No ships will be paid off, no men will be sent to the barracks or to the instructional schools, and no alteration will be made in the proportion of officers and men serving afloat.

IV. The Board of Admiralty have also decided that, where it will conduce to the fighting efficiency and convenience of the service, there will be an interchange of vessels between the Home Fleet, on the one hand, and the Channel, Atlantic, and Mediterranean Fleets on the other. For instance, any vessel in the three last-named fleets requiring an extensive refit will be replaced temporarily by a ship of the Home Fleet.

V. The cruisers of the Home Fleet will from time to time be combined for instructional and tactical exercises with the cruiser squadrons of the other fleets, and the Atlantic and Mediterranean Fleets will be combined as usual for the same purpose.

The Board of Admiralty are satisfied that the constitution of a Home Fleet will increase the immediate striking strength of the navy, and that the more active training which the nucleus crews will receive under the new system will add to the sea experience of the fleet as a whole.

These changes will be gradually carried out in such a way as to obviate any dislocation of the various fleets and squadrons.—*October 16, 1906.*

APPENDIX II

COMPARATIVE NAVAL STRENGTH OF THE POWERS

THE usual return, corrected to March 31, 1906, showing the fleets of Great Britain, France, Russia, Germany, Italy, United States of America, and Japan, distinguishing—battleships, built and building; cruisers, built and building; coast-defence vessels, built and building; torpedo vessels, torpedo-boat-destroyers, torpedo-boats, and submarines, built and building; with date of launch, displacement, and armaments reduced to one common scale, was issued last year

as a Parliamentary Paper (129). To it is prefixed the following comparative tabular statement :

BUILT.

	Great Britain.	France.	Russia.	Germany.	Italy.	United States.	Japan.
Battleships, 1st class	55	19	8	18	14	14	9
Ditto, 2nd class ...	4	9	3	4	—	1	2
Ditto, 3rd class ...	2	1	1	9	2	—	—
Coast-defence vessels, armoured	—	9	6	11	—	11	3
Cruisers, armoured	28	19	3	6	6	7	9
Ditto, protected, 1st class ...	21	7	6	—	—	3	2
Ditto, protected, 2nd class...	46	14	2*	14	5	17	11
Ditto, protected, 3rd class...	19	16	1	12	13§	2	7
Ditto, unprotected	—	1	3	15	1	6	7
Scouts ...	8	—	—	—	—	—	—
Torpedo vessels ...	21	15†	7	1	11	2	3
Torpedo-boat-destroyers ...	143	31	68	43	13	20	29
Torpedo-boats ...	87	255	172	84	128	32	79
Submarines ...	25	39	13	1‡	2	8	5

BUILDING.

Battleships, 1st class	6{	6¶	} 4{	6	} 4{	11	{ 4
Cruisers, armoured	10	5	4{	2	} 2	8	{ 3
Ditto, protected, 1st class ...	—	—	1	—	—	—	—
Ditto, protected, 2nd class ...	—	—	—{	6	} —	—	1
Scouts ...	—	—	—	2¶	—	3	—
Torpedo - boat destroyers	10{	23	} 29{	6	} 4	—	25
Torpedo-boats	—	10¶	—	12¶	—	—	—
Submarines	15{	52	} 15	—	20	—	—
		30		1‡	4	4	2
		20¶					

* Including one partially protected.

† Including one torpedo depot ship.

‡ Experimental.

§ Including two partially protected.

|| Including six used as training-ships.

¶ To be laid down 1906-1907.

APPENDIX III

CONVENTION BETWEEN GREAT BRITAIN, GERMANY, AUSTRIA-HUNGARY, SPAIN, FRANCE, ITALY, THE NETHERLANDS, RUSSIA, AND TURKEY, RESPECTING THE FREE NAVIGATION OF THE SUEZ MARITIME CANAL (SIGNED AT CONSTANTINOPLE, OCTOBER 29, 1888).

[Ratifications deposited at Constantinople, December 22, 1888.]

AU NOM DE DIEU TOUT-PUISSANT.

SA Majesté la Reine du Royaume-Uni de la Grande-Bretagne et d'Irlande, Impératrice des Indes ; Sa Majesté l'Empereur d'Allemagne, Roi de Prusse ; Sa Majesté l'Empereur d'Autriche, Roi de Bohême, etc., et Roi Apostolique de Hongrie ; Sa Majesté le Roi d'Espagne et en son nom la Reine-Régente du Royaume ; le Président de la République Française ; Sa Majesté le Roi d'Italie ; Sa Majesté le Roi des Pays-Bas, Grand-Duc de Luxembourg, etc. ; Sa Majesté l'Empereur de Toutes les Russies ; et Sa Majesté l'Empereur des Ottomans, voulant consacrer, par un Acte Conventionnel, l'établissement d'un régime définitif, destiné à garantir, en tout temps et à toutes les Puissances, le libre usage du Canal Maritime de Suez et compléter ainsi le régime sous lequel la navigation par ce Canal a été placée, par le Firman de Sa Majesté Impériale le Sultan, en date du 22 Février, 1866 (2 Zilkadé, 1282), sanctionnant les Concessions de Son Altesse le Khédive, ont nommé pour leurs Plénipotentiaires, savoir :

Sa Majesté la Reine du Royaume-Uni de la Grande-Bretagne et d'Irlande, Impératrice des Indes, le Très-Honorable Sir William Arthur White, son Ambassadeur Extraordinaire et Plénipotentiaire ;

Sa Majesté l'Empereur d'Allemagne, Roi de Prusse, le Sieur Joseph de Radowitz, son Ambassadeur Extraordinaire et Plénipotentiaire ;

Sa Majesté l'Empereur d'Autriche, Roi de Bohême, etc., et Roi Apostolique de Hongrie, le Sieur Henri, Baron de Calice, son Ambassadeur Extraordinaire et Plénipotentiaire ;

Sa Majesté le Roi d'Espagne et en son nom la Reine-Régente du Royaume, le Sieur Don Miguel Florez y Garcia, son Chargé d'Affaires ;

Le Président de la République Française, le Sieur Gustave Louis Lannes, Comte de Montebello, Ambassadeur Extraordinaire et Plénipotentiaire de France ;

Sa Majesté le Roi d'Italie, le Sieur Albert, Baron Blanc, son Ambassadeur Extraordinaire et Plénipotentiaire ;

Sa Majesté le Roi des Pays-Bas, Grand-Duc de Luxembourg, etc., le Sieur Gustave Keun, son Chargé d'Affaires ;

Sa Majesté l'Empereur de Toutes les Russies, le Sieur Alexandre de Nélidow, son Ambassadeur Extraordinaire et Plénipotentiaire ;

Sa Majesté l'Empereur des Ottomans, Mehemmed Saïd Pacha, son Ministre des Affaires Étrangères ;

Lesquels, s'étant communiqué leurs pleins pouvoirs respectifs, trouvés en bonne et due forme, sont convenus des Articles suivants :

ARTICLE I.

Le Canal Maritime de Suez sera toujours libre et ouvert, en temps de guerre comme en temps de paix, à tout navire de commerce ou de guerre, sans distinction de pavillon.

En conséquence, les Hautes Parties Contractantes conviennent de ne porter aucune atteinte au libre usage du Canal en temps de guerre comme en temps de paix.

Le Canal ne sera jamais assujetti à l'exercice du droit de blocus.

ARTICLE II.

Les Hautes Parties Contractantes reconnaissant que le Canal d'Eau-Douce est indispensable au Canal Maritime, prennent acte des engagements de Son Altesse le Khédive envers la Compagnie Universelle du Canal de Suez, en ce qui concerne le Canal d'Eau-Douce, engagements stipulés dans une Convention en date du 18 Mars, 1868, contenant, un exposé et quatre Articles.

Elles s'engagent à ne porter aucune atteinte à la sécurité

de ce Canal et des ses dérivations, dont le fonctionnement ne pourra être l'objet d'aucune tentative d'obstruction.

ARTICLE III.

Les Hautes Parties Contractantes s'engagent de même à respecter le matériel, les établissements, constructions, et travaux du Canal Maritime et du Canal d'Eau-Douce.

ARTICLE IV.

Le Canal Maritime restant ouvert, en temps de guerre, comme passage libre, même aux navires de guerre des belligérants, aux termes de l'Article I^{er} du présent Traité, les Hautes Parties Contractantes conviennent qu'aucun droit de guerre, aucun acte d'hostilité ou aucun acte ayant pour but d'entraver la libre navigation du Canal ne pourra être exercé dans le Canal et ses ports d'accès, ainsi que dans un rayon de 3 milles marins de ces ports, alors même que l'Empire Ottoman serait l'une des Puissances belligérantes.

Les bâtiments de guerre des belligérants ne pourront, dans le Canal et ses ports d'accès, se ravitailler ou s'approvisionner que dans la limite strictement nécessaire. Le transit des dits bâtiments par le Canal s'effectuera dans le plus bref délai d'après les Règlements en vigueur, et sans autre arrêt que celui qui résulterait des nécessités du service.

Leur séjour à Port-Saïd et dans la rade de Suez ne pourra dépasser vingt-quatre heures sauf le cas de relâche forcée. En pareil cas, ils seront tenus de partir le plus tôt possible. Un intervalle de vingt-quatre heures devra toujours s'écouler entre la sortie d'un port d'accès d'un navire belligérant et le départ d'un navire appartenant à la Puissance ennemie.

ARTICLE V.

En temps de guerre, les Puissances belligérantes ne débarqueront et ne prendront dans le Canal et ses ports d'accès, ni troupes, ni munitions, ni matériel de guerre. Mais, dans le cas d'un empêchement accidentel dans le Canal, on pourra embarquer ou débarquer, dans les ports d'accès, des troupes

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fractionnées par groupes n'excédant pas 1,000 hommes avec le matériel de guerre correspondant.

ARTICLE VI.

Les prises seront soumises sous tous les rapports au même régime que les navires de guerre des belligérants.

ARTICLE VII.

Les Puissances ne maintiendront dans les eaux du Canal (y compris le Lac Timsah et les Lacs Amers) aucun bâtiment de guerre.

Toutefois, dans les ports d'accès de Port-Saïd et de Suez, elles pourront faire stationner des bâtiments de guerre dont le nombre ne devra pas excéder deux pour chaque Puissance.

Ce droit ne pourra être exercé par les belligérants.

ARTICLE VIII.

Les Agents en Égypte des Puissances Signataires du présent Traité seront chargés de veiller à son exécution. En toute circonstance qui menacerait la sécurité ou le libre passage du Canal, ils se réuniront sur la convocation de trois d'entre eux et sous la présidence du doyen, pour procéder aux constatations nécessaires. Ils feront connaître au Gouvernement Khédivial le danger qu'ils auraient reconnu afin que celui-ci prenne les mesures propres à assurer la protection et le libre usage du Canal. En tout état de cause, ils se réuniront une fois par an pour constater la bonne exécution du Traité.

Ces dernières réunions auront lieu sous la présidence d'un Commissaire Spécial nommé à cet effet par le Gouvernement Impérial Ottoman. Un Commissaire Khédivial pourra également prendre part à la réunion et la présider en cas d'absence du Commissaire Ottoman.

Ils réclameront notamment la suppression de tout ouvrage ou la dispersion de tout rassemblement qui, sur l'une ou l'autre rive du Canal, pourrait avoir pour but un effet de porter atteinte à la liberté et à l'entière sécurité de la navigation.

ARTICLE IX.

Le Gouvernement Égyptien prendra dans la limite de ses pouvoirs tels qu'ils résultent des Firmans et dans les conditions prévues par le présent Traité, les mesures nécessaires pour faire respecter l'exécution du dit Traité.

Dans le cas où le Gouvernement Égyptien ne disposerait pas de moyens suffisants, il devra faire appel au Gouvernement Impérial Ottoman, lequel prendra les mesures nécessaires pour répondre à cet appel, en donnera avis aux autres Puissances Signataires de la Déclaration de Londres du 17 Mars, 1885, et, au besoin, se concertera avec elles à ce sujet.

Les prescriptions des Articles IV., V., VII., et VIII. ne feront pas obstacle aux mesures qui seront prises en vertu du présent Article.

ARTICLE X.

De même, les prescriptions des Articles IV., V., VII., et VIII. ne feront pas obstacle aux mesures que Sa Majesté le Sultan et Son Altesse le Khédive au nom de Sa Majesté Impériale et dans les limites des Firmans concédés seraient dans la nécessité de prendre pour assurer, par leurs propres forces, la défense de l'Égypte, et le maintien de l'ordre public.

Dans le cas où Sa Majesté Impériale le Sultan ou Son Altesse le Khédive se trouverait dans la nécessité de se prévaloir des exceptions prévues par le présent Article les Puissances Signataires de la Déclaration de Londres en seraient avisées par le Gouvernement Impérial Ottoman.

Il est également entendu que les prescriptions des quatre Articles dont il s'agit ne porteront en aucun cas obstacle aux mesures que le Gouvernement Impérial Ottoman croira nécessaire de prendre pour assurer par ses propres forces la défense de ses autres possessions situées sur la côte orientale de la Mer Rouge.

ARTICLE XI.

Les mesures qui seront prises dans les cas prévus par les Articles IX. et X. du présent Traité ne devront pas faire

obstacle au libre usage du Canal. Dans ces mêmes cas, l'érection de fortifications permanentes élevées contrairement aux dispositions de l'Article VIII. demeure interdite.

ARTICLE XII.

Les Hautes Parties Contractantes conviennent, par application du principe d'égalité en ce qui concerne le libre usage du Canal, principe qui forme l'une des bases du présent Traité, qu'aucune d'elles ne recherchera d'avantages territoriaux ou commerciaux, ni de privilèges dans les arrangements internationaux qui pourront intervenir par rapport au Canal. Sont d'ailleurs réservés les droits de la Turquie comme Puissance territoriale.

ARTICLE XIII.

En dehors des obligations prévues expressément par les clauses du présent Traité, il n'est porté aucune atteinte aux droits souverains de Sa Majesté Impériale le Sultan et aux droits et immunités de Son Altesse le Khédive, tels qu'ils résultent Firmans.

ARTICLE XIV.

Les Hautes Parties Contractantes conviennent que les engagements résultant du présent Traité ne seront pas limités par la durée des Actes de Concession de la Compagnie Universelle du Canal de Suez.

ARTICLE XV.

Les stipulations du présent Traité ne feront pas obstacle aux mesures sanitaires en vigueur en Égypte.

ARTICLE XVI.

Les Hautes Parties Contractantes s'engagent à porter le présent Traité à la connaissance des États qui ne l'ont pas signé, en les invitant à y accéder.

ARTICLE XVII.

Le présent Traité sera ratifié et les ratifications en seront échangées à Constantinople dans un délai d'un mois ou plus tôt si faire se peut.

En foi de quoi les Plénipotentiaires respectifs l'ont signé et y ont apposé le sceau de leurs armes.

Fait à Constantinople, le 29^e jour du mois d'Octobre, de l'an 1888.

(L.S.)	W. A. WHITE.
(L.S.)	RADOWITZ.
(L.S.)	CALICE.
(L.S.)	MIGUEL FLOREZ Y GARCIA.
(L.S.)	G. DE MONTEBELLO.
(L.S.)	A. BLANC.
(L.S.)	GUS. KEUN.
(L.S.)	NÉLIDOW.
(L.S.)	M. SAÏD.

[TRANSLATION.]

Her Majesty the Queen of the United Kingdom of Great Britain and Ireland, Empress of India; His Majesty the Emperor of Germany, King of Prussia; His Majesty the Emperor of Austria, King of Bohemia, etc., and Apostolic King of Hungary; His Majesty the King of Spain, and in his name the Queen Regent of the Kingdom; the President of the French Republic; His Majesty the King of Italy; His Majesty the King of the Netherlands, Grand Duke of Luxembourg, etc.; His Majesty the Emperor of All the Russias; and His Majesty the Emperor of the Ottomans; wishing to establish, by a Conventional Act, a definite system destined to guarantee at all times, and for all the Powers, the free use of the Suez Maritime Canal, and thus to complete the system under which the navigation of this Canal has been placed by the Firman of His Imperial Majesty the Sultan, dated February 22, 1866 (2 Zilkadé, 1282), and sanctioning the Concessions of His Highness the

Khedive, have named as their Plenipotentiaries, that is to say :

Her Majesty the Queen of the United Kingdom of Great Britain and Ireland, Empress of India, the Right Honourable Sir William Arthur White, her Ambassador Extraordinary and Plenipotentiary ;

His Majesty the Emperor of Germany, King of Prussia, M. Joseph de Radowitz, his Ambassador Extraordinary and Plenipotentiary ;

His Majesty the Emperor of Austria, King of Bohemia, etc., and Apostolic King of Hungary, M. Henri, Baron de Calice, his Ambassador Extraordinary and Plenipotentiary ;

His Majesty the King of Spain, and in his name the Queen Regent of the Kingdom, Don Miguel Florez y Garcia, his Chargé d'Affaires ;

The President of the French Republic, M. Gustave Louis Lannes, Count de Montebello, Ambassador Extraordinary and Plenipotentiary of France ;

His Majesty the King of Italy, M. Albert, Baron Blanc, his Ambassador Extraordinary and Plenipotentiary ;

His Majesty the King of the Netherlands, Grand Duke of Luxembourg, etc., M. Gustave Keun, his Chargé d'Affaires ;

His Majesty the Emperor of All the Russias, M. Alexandre de Nélidow, his Ambassador Extraordinary and Plenipotentiary ;

His Majesty the Emperor of the Ottomans, Mehemmed Saïd Pasha, his Minister for Foreign Affairs ;

Who, having communicated to each other their respective full powers, found in good and due form, have agreed upon the following Articles :

ARTICLE I.

The Suez Maritime Canal shall always be free and open, in time of war as in time of peace, to every vessel of commerce or of war, without distinction of flag.

Consequently, the High Contracting Parties agree not in any way to interfere with the free use of the Canal, in time of war as in time of peace.

The Canal shall never be subjected to the exercise of the right of blockade.

ARTICLE II.

The High Contracting Parties, recognising that the Fresh-Water Canal is indispensable to the Maritime Canal, take note of the engagements of His Highness the Khedive towards the Universal Suez Canal Company as regards the Fresh-Water Canal; which engagements are stipulated in a Convention bearing date March 18, 1863, containing an *exposé* and four Articles.

They undertake not to interfere in any way with the security of that Canal and its branches, the working of which shall not be exposed to any attempt at obstruction.

ARTICLE III.

The High Contracting Parties likewise undertake to respect the plant, establishments, buildings, and works of the Maritime Canal and of the Fresh-Water Canal.

ARTICLE IV.

The Maritime Canal remaining open in time of war as a free passage, even to the ships of war of belligerents, according to the terms of Article I. of the present Treaty, the High Contracting Parties agree that no right of war, no act of hostility, nor any act having for its object to obstruct the free navigation of the Canal, shall be committed in the Canal and its ports of access, as well as within a radius of three marine miles from those ports, even though the Ottoman Empire should be one of the belligerent Powers.

Vessels of war of belligerents shall not revictual or take in stores in the Canal and its ports of access, except in so far as may be strictly necessary. The transit of the aforesaid vessels through the Canal shall be effected with the least possible delay, in accordance with the Regulations in force, and without any other intermission than that resulting from the necessities of the service.

Their stay at Port Saïd and in the roadstead of Suez shall

not exceed twenty-four hours, except in case of distress. In such case they shall be bound to leave as soon as possible. An interval of twenty-four hours shall always elapse between the sailing of a belligerent ship from one of the ports of access and the departure of a ship belonging to the hostile Power.

ARTICLE V.

In time of war belligerent Powers shall not disembark nor embark within the Canal and its ports of access either troops, munitions, or materials of war. But in case of an accidental hindrance in the Canal, men may be embarked or disembarked at the ports of access by detachments not exceeding 1,000 men, with a corresponding amount of war material.

ARTICLE VI.

Prizes shall be subjected, in all respects, to the same rules as the vessels of war of belligerents.

ARTICLE VII.

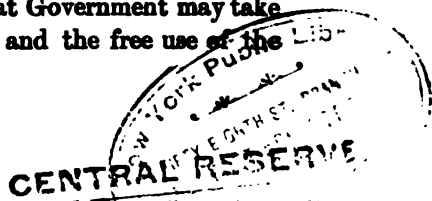
The Powers shall not keep any vessel of war in the waters of the Canal (including Lake Timsah and the Bitter Lakes).

Nevertheless, they may station vessels of war in the ports of access of Port Saïd and Suez, the number of which shall not exceed two for each Power.

This right shall not be exercised by belligerents.

ARTICLE VIII.

The Agents in Egypt of the Signatory Powers of the present Treaty shall be charged to watch over its execution. In case of any event threatening the security or the free passage of the Canal, they shall meet on the summons of three of their number under the presidency of their Doyen, in order to proceed to the necessary verifications. They shall inform the Khedivial Government of the danger which they may have perceived, in order that that Government may take proper steps to insure the protection and the free use of the



Canal. Under any circumstances they shall meet once a year to take note of the due execution of the Treaty.

The last-mentioned meetings shall take place under the presidency of a Special Commissioner nominated for that purpose by the Imperial Ottoman Government. A Commissioner of the Khedive may also take part in the meeting, and may preside over it in case of the absence of the Ottoman Commissioner.

They shall especially demand the suppression of any work or the dispersion of any assemblage on either bank of the Canal the object or effect of which might be to interfere with the liberty and the entire security of the navigation.

ARTICLE IX.

The Egyptian Government shall, within the limits of its powers resulting from the Firmans, and under the conditions provided for in the present Treaty, take the necessary measures for insuring the execution of the said Treaty.

In case the Egyptian Government should not have sufficient means at its disposal, it shall call upon the Imperial Ottoman Government, which shall take the necessary measures to respond to such appeal; shall give notice thereof to the Signatory Powers of the Declaration of London of March 17, 1885; and shall, if necessary, concert with them on the subject.

The provisions of Articles IV., V., VII., and VIII. shall not interfere with the measures which shall be taken in virtue of the present Article.

ARTICLE X.

Similarly, the provisions of Articles IV., V., VII., and VIII. shall not interfere with the measures which His Majesty the Sultan and His Highness the Khedive, in the name of His Imperial Majesty, and within the limits of the Firmans granted, might find it necessary to take for securing by their own forces the defence of Egypt and the maintenance of public order.

In case His Imperial Majesty the Sultan, or His Highness the Khedive, should find it necessary to avail themselves of the exceptions for which this Article provides, the Signatory Powers of the Declaration of London shall be notified thereof by the Imperial Ottoman Government.

It is likewise understood that the provisions of the four Articles aforesaid shall in no case occasion any obstacle to the measures which the Imperial Ottoman Government may think it necessary to take in order to insure by its own forces the defence of its other possessions situated on the eastern coast of the Red Sea.

ARTICLE XI.

The measures which shall be taken in the cases provided for by Articles IX. and X. of the present Treaty shall not interfere with the free use of the Canal. In the same cases, the erection of permanent fortifications contrary to the provisions of Article VIII. is prohibited.

ARTICLE XII.

The High Contracting Parties, by application of the principle of equality as regards the free use of the Canal, a principle which forms one of the bases of the present Treaty, agree that none of them shall endeavour to obtain with respect to the Canal territorial or commercial advantages or privileges in any international arrangements which may be concluded. Moreover, the rights of Turkey as the territorial Power are reserved.

ARTICLE XIII.

With the exception of the obligations expressly provided by the clauses of the present Treaty, the sovereign rights of His Imperial Majesty the Sultan, and the rights and immunities of His Highness the Khedive, resulting from the Firmans, are in no way affected.

ARTICLE XIV.

The High Contracting Parties agree that the engagements resulting from the present Treaty shall not be limited by the duration of the Acts of Concession of the Universal Suez Canal Company.

ARTICLE XV.

The stipulations of the present Treaty shall not interfere with the sanitary measures in force in Egypt.

ARTICLE XVI.

The High Contracting Parties undertake to bring the present Treaty to the knowledge of the States which have not signed it, inviting them to accede to it.

ARTICLE XVII.

The present Treaty shall be ratified, and the ratifications shall be exchanged at Constantinople within the space of one month, or sooner if possible.

In faith of which the respective Plenipotentiaries have signed the present Treaty, and have affixed to it the seal of their arms.

Done at Constantinople, the 29th day of the month of October, in the year 1888.

(L.S.)	W. A. WHITE.
(L.S.)	RADOWITZ.
(L.S.)	CALICE.
(L.S.)	MIGUEL FLOREZ Y GARCIA.
(L.S.)	G. DE MONTEBELLO.
(L.S.)	A. BLANC.
(L.S.)	GUS. KEUN.
(L.S.)	NÉLIDOW.
(L.S.)	M. SAÏD.

APPENDIX IV

PRÉCIS OF THE PROVISIONS OF TWO AGREEMENTS SIGNED
IN LONDON ON DECEMBER 13, 1906, BETWEEN THE
GOVERNMENTS OF GREAT BRITAIN, FRANCE, ITALY,
AND ABYSSINIA.

IN the first-mentioned agreement the three contracting Powers undertake, in Article I., not to make any change in the political or territorial *status quo* in Ethiopia, or in the present state of affairs, in so far as it depends on various conventions which are duly enumerated. It is also affirmed in Article I. that there shall be no infringement upon the sovereign rights of the Emperor of Abyssinia.

Article II. lays down that agricultural, commercial, and industrial concessions granted to any one of the three contracting Powers shall not prejudice the interests of the other two.

In Article III., France, Great Britain, and Italy undertake to observe a neutral attitude and to abstain from any intervention, in the event of internal complications, except to protect the Legations, the lives and property of foreigners, or the common interests of the three Powers; but no such action shall be taken for the above purposes until after a common understanding has been arrived at.

Article IV. provides for the eventuality of circumstances arising to disturb the *status quo* in Abyssinia, as recognised in Article I. Should events of this kind arise, the three Powers undertake to do their utmost to maintain the integrity of Ethiopia, and they will confer with one another with a view to safeguarding (1) the interests of Great Britain and Egypt in the basin of the Nile, particularly in so far as the control of the waters of that river is concerned; (2) Italy's interests in Ethiopia with respect to Eritrea, Somaliland, and Benadir, and especially as regards the Hinterland of her possessions and the territorial union between them to the west of Addis Abeba; (3) French interests in Ethiopia with respect to the French Somali coast protectorate, the Hinter-

land of that protectorate, and the zones necessary for the construction and working of the Jibuti-Addis Abeba Railway.

By Article V., the French Government communicates the text of the French railway concession in Ethiopia of March 9, 1894, together with a second document dated August 8, 1894, in which the Emperor Menelek invited the company holding the concession to construct the second section from Dire Daoua to Addis Abeba.

Article VI. states that the three contracting Powers are agreed that it shall be a French company, approved by the French Government, that shall construct the line from Dire Daoua to Addis Abeba, and eventually a branch to Harar.

The same Article provides equal treatment for the subjects of the three Powers regarding trade and traffic on the railway and at the port of Jibuti; it further provides that no transit dues shall be imposed.

Article VII. provides that the Board of Administration of the French railway company or companies shall include an Englishman, an Italian, and a representative of the Emperor of Abyssinia.

The same Article also provides for reciprocity in regard to questions of equality in commerce and traffic and as regards French representation on the Board of Administration of future British or Italian railways. The concluding paragraph of this Article further declares that equality of treatment in commerce and transit shall be extended to the subjects of all countries.

By Article VIII. France abstains from taking any further action regarding the concessions which have already been accorded her beyond Addis Abeba.

Article IX. lays down that railways in Abyssinia west of Addis Abeba shall be constructed by Great Britain, and that connecting Benadir with Eritrea by Italy. The article also recognises Great Britain's right to construct a railway from British Somaliland across Ethiopia to the Sudanese frontier; but the three contracting Governments agree not to construct railways penetrating Abyssinian territory without previously

coming to an agreement. In Article X. the three Powers agree to co-operate for the protection of their respective interests.

By Article XI. (the last) it is agreed that, apart from the arrangements mentioned in Articles I. and V., no arrangement made by any one of the three contracting Powers shall be of a nature objectionable to the two other signatory Powers.

On signing the agreement the Italian Ambassador added a statement bearing upon certain points to be settled between Italy and the Emperor Menelek.

The agreement for the suppression of the traffic in contraband arms contains nine articles. In Article I. the three Governments adopt the provisions of the General Act of Brussels of July, 1890. They undertake to exercise a strict supervision over the importation of arms—France at Jibuti, Obock, and in French Somaliland; Great Britain in British Somaliland and the ports of Zeila, Berbera, Aden, and Perim; and Italy in Eritrea, Italian Somaliland, at Massuah and Assab.

Article II. provides for certain exceptions to the regulations in the case of arms consigned to the Abyssinian Government, recognised Abyssinian chiefs, and private individuals.

In Article III. the contracting Governments undertake to request the Emperor of Abyssinia to enforce the Brussels Convention in his dominions.

Article IV. makes provision for dealing with the contraband traffic carried on by small coasting vessels that fetch arms from the above-mentioned ports to convey them to places outside the area protected by the Brussels Convention.

In Article V. the three Powers maintain the principles of their respective laws regarding the right of search, but they agree that the measures of supervision taken by each of them at points under their respective especial surveillance shall be applied without distinction to vessels flying the flag of any one of the three Powers.

Article VI. provides that each year a list of coasting vessels

and dhows authorized to carry the flag of any one of the three Powers shall be communicated to the other two.

By Article VII. these coasting vessels or dhows are required to carry marks enabling them to be distinguished at a distance.

By Article VIII. the respective authorities of the three contracting Powers are to make arrangements with each other to carry out the provisions of this Agreement.

Finally, Article IX. fixes the duration of this Agreement at twelve years from the date of signature. At the end of that period the convention shall remain in force for successive periods of three years, subject to six months' notice of discontinuance being given.

APPENDIX V

REGULATIONS GIVING EFFECT TO THE IMPERIAL DECREE ISSUED ON SEPTEMBER 20, 1906, ABOLISHING OPIUM- SMOKING IN CHINA WITHIN A PERIOD OF TEN YEARS

THE regulations are eleven in number, and are as follows :

1. Not only the cultivation of the poppy, but the use of opium, must cease within ten years. No new ground can be placed under cultivation, and ground under cultivation must be restricted by one-tenth annually. If the regulation is evaded, the ground can be confiscated. Rewards will be given if the abolition is completed earlier.

2. Some 80 to 40 per cent. of the Chinese use opium. Everyone who uses it must be registered either at the Yamên or with the village headman. The amount consumed must also be registered. No one can buy opium unless he is registered. No one will be permitted to begin the use of opium after the issue of these regulations.

3. This provides for the method of decreasing the use. Those above sixty years of age are leniently treated ; those under sixty must decrease their use 20 per cent. per annum. If this regulation is evaded, punishments will be inflicted. For example, magistrates will be cashiered and scholars

deprived of their degrees. Those who, at the end of ten years, are still addicted to the use of opium, will have their names posted in public places.

4. Shops selling opium will be closed gradually. All opium dens where opium is smoked will be compulsorily closed within six months. Neither wine-shops nor inns can allow smoking on the premises. Persons who sell smoking requisites—pipes, lamps, etc.—must cease to do so within one year. The taxes now collected on opium lamps must not be collected after one month from the date of issue of these regulations.

5. All opium shops and everything connected with the trade must be officially registered and gradually closed, and no new shops will be allowed to open. No one can buy opium without presenting a ticket of registration. Shops must present an annual statement showing a decrease of sales. If this regulation is evaded the shops can be confiscated with all their contents, and their owners punished.

6. Officials must arrange to distribute among people addicted to the use of opium either prescriptions or medicines counteracting the use at cost price or gratuitously. No prescription thus given shall contain opium, morphia, or opium ashes.

7. Anti-opium societies must be established to exhort the discontinuance of the use of the drug. Such societies, if already working, must receive official encouragement and support.

8. Officials and gentry are ordered to give mutual help in enforcing the regulations. Reports must be furnished to the Council of State Affairs. Officials who have fully carried out the regulations will be rewarded.

9. Officials must set an example. Officials above sixty years of age whose cravings are great must be treated leniently. All high officials, Princes, Dukes, Viceroys, and Tartar Generals under sixty must not screen themselves, but must inform the Throne that they are willing to cease their use of the drug within a certain time. During that time

they can have a substitute. When they are cured they can resume their duties. All other officials under sixty, no matter how great their craving, must abandon the use within six months. If unable to discontinue the habit they can retain their rank, but must retire from office. But those who falsely pretend to abandon the habit and continue the use of opium secretly will be deprived of both rank and office. All teachers, scholars, soldiers, and sailors throughout all ranks will be allowed three months wherein entirely to abandon the habit.

10. The Wai-wu-pu is commanded to approach the British Minister with reference to the annual reduction of opium imported, so that the importation may be ended within ten years. Since opium is also imported from Persia, French Indo-China, and the Dutch colonies, the respective Ministers must also be approached, but in the case of non-treaty Powers China will act independently. Strict regulations must be enforced against the smuggling of opium. Morphia and hypodermic syringes for its use being even more injurious than opium, therefore Article XI. of the Mackay Treaty of September 7, 1902, and Article XVI. of the American Treaty of October 8, 1903, must be given effect to, and the manufacture of morphia in China forthwith prohibited, whether by Chinese or foreigners.

11. The Viceroys and high officials must forthwith issue proclamations throughout the Empire embodying the foregoing regulations.

November 21, 1906.

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THE END
CENTRAL RESERVE

